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ABSTRACT

The two papers in this newsletter focus on youth employment and training programs in the United States and the government response to unemployment in Australia. In the first paper, "Looking at Other Countries, No. 1: United States. Youth Employment and Training Programs during the First Two Years of the Reagan Administration" by Ralph E. Smith, some developments in the United States are reported that might be relevant to Australians interested in programs to ease the transition of young people from school to work. Two programs are described--the activities authorized by the Comprehensive Employment and Training Act and the Targeted Jobs Tax Credit, a wage subsidy to stimulate the employment of economically disadvantaged youth. The second paper, "Review Paper No. 7. The Government Response to Unemployment: A Critical Review" by John Freeland, evaluates existing policies and programs for Australia's unemployed. The evaluative criteria to be applied are established, and the government response to unemployment, specifically the development of unemployment programs from 1972 to 1982, is then discussed. An evaluation of that government response falls into two parts. The first uses the accompanying tables and graphs to uncover underlying policy preferences, objectives, omissions, and discriminations. The second part looks more closely at specific programs and develops a series of recommendations for reform. Sixteen pages of tables and figures are appended. (YLB)

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The Australian National University

NATIONAL CLEARINGHOUSE ON TRANSITION FROM SCHOOL

Newsletter

PART 2

Vol. 2 No. 1 **February 1983**

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D.S. Anderson
and
C. Blakers

Department of Sociology
Research School of Social Sciences

Telephone: 493740 or 494162

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National Clearinghouse on Transition from School
Department of Sociology
Research School of Social Sciences
Australian National University
P.O. Box 4
Canberra, A.C.T. 2600

Telephone: [062] 49 4162

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PART 2 Page

* LOOKING AT OTHER COUNTRIES No. 1: THE UNITED STATES

. Youth Employment and Training Programs during the First Two Years of the Reagan Administration - by Dr Ralph Smith 63

* REVIEW PAPER No. 7

. Government Response to Unemployment: A Critical Review - by John Freeland 71

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APOCRYPHA

What! Will the line stretch out to the crack of doom?

Fear not, Macbeth. 'Tis but another dole queue.

* LOOKING AT OTHER COUNTRIES, No. 1: UNITED STATES

Youth Employment and Training Programs during the First Two Years of the Reagan Administration

by Ralph E. Smith*

The purpose of this paper is to report on some developments in the United States that might be especially relevant to Australians interested in programs to ease the transition of young people from school to work.[1] Two programs are described here. The first is the set of activities authorised by the Comprehensive Employment and Training Act (CETA), the U.S. Government's largest employment and training program. In October 1982, the Administration and the Congress agreed to new legislation, the Job Training Partnership Act, which will replace CETA programs by late 1983. The changes in program emphasis that might be most relevant to Australian youth employment policy issues are discussed. The second program examined is the Targeted Jobs Tax Credit (TJYC), a wage subsidy largely designed to stimulate the employment of economically disadvantaged youth. Because of its similarity to Australia's Special Youth Employment Training Program, it might be of particular interest.

A few words about the U.S. labour market might provide a perspective on the programs. The overall rate of unemployment, even during periods of prosperity, would seem high by Australian standards. Moreover, the unemployment rate among teenagers (ages 16 through 19) is always at least double that of all workers. Thus, in 1969 - the last year in which the national unemployment rate was below four percent - 3.5 per cent of the labour force was unemployed, including 12.2 percent of teenagers. Elsewhere I have argued that the main concern should not be with the teenage unemployment rate, itself, but rather with the extent to which that unemployment is concentrated among a small number of particularly disadvantaged youth.[2] For example, in 1969, 24 percent of black teenagers were unemployed. Benign explanations about youth unemployment involving normal job-shopping and in-school unemployment cannot account for this concentration.

During the period considered here, 1981-1982, every group's unemployment rate increased sharply due to the recession. In January 1981 the seasonally adjusted unemployment rate was already up to 7.4 percent of the labour force. The most recent rate (December 1982) was 10.8 percent. The unemployment rate for teenagers in December was 24.5 percent, including an astonishing 49.5 percent of black teenagers. Only a strong economic recovery could solve an unemployment problem of this magnitude. The programs discussed in this paper can complement, but not substitute for, the job-creating impact of economic growth.

* Department of Economics, Research School of Social Sciences, Australian National University, on leave from the U.S. National Commission for Employment Policy. The views expressed are my own and do not necessarily reflect those of either institution with which I am affiliated.

Job Training Partnership Act

Employment and training programs for young people in the United States have been used to achieve two objectives: to help the participants to become better prepared for subsequent employment and to provide them with immediate job opportunities. Under the Reagan Administration, greater emphasis has been placed on employability development than on job creation. Moreover, the Administration's position has been that activities to increase job opportunities should be focused on the private sector, not on public service employment; the wage subsidy scheme described later in this paper is consistent with this philosophy.

In the United States, public education is largely a state and local responsibility, especially for elementary and secondary education. Educational institutions, in turn, have been the dominant formal means of preparing most young people for the labour market. (Apprenticeships have not been nearly as important as in Australia, except for the construction crafts and a few other occupations.) Half of the American labour force has completed 12.7 years of school or more.[3]

The federal government, however, has provided some support for vocational education in secondary schools since 1917. Since the mid-1960s, it has also provided funds for compensatory education, primarily in elementary schools. The Reagan Administration is seeking to reduce federal expenditures on these and other education programs.[4] Elsewhere I have summarised the evaluations of these programs, and will not repeat the discussion here.[5] In brief, it does not appear that specific skill training for students in U.S. secondary schools is any more successful in increasing their subsequent earnings than are other curricula. Remedial programs for students from economically disadvantaged backgrounds, on the other hand, have been found to improve the cognitive skills of those who are receiving assistance.

Beginning with the Manpower Development and Training Act of 1962, the federal government has sponsored a number of special training programs intended to help young people and adults who were failing in the labour market. Originally targeted toward experienced workers who had lost their jobs and needed to be retrained, the emphasis rapidly shifted toward helping people with chronic problems. Most of these programs became parts of the Comprehensive Employment and Training Act of 1973 (CETA), a Nixon-era attempt to consolidate the separate programs that had been developed in the 1960s and to move the operation of the programs to state and local governments. CETA was reauthorised in 1978 for another four years (through September 1982). When the Reagan Administration took office in January 1981, the most important legislative decision facing it in the employment and training program area was what to do about the reauthorisation of CETA.

The choices facing Congress and the Administration were to continue CETA, develop new legislation, or end federal government funding. Given the steadily worsening employment picture during this period, the last was not a realistic political option. Most participants in the legislative process also agreed that at least cosmetic changes were called for, since CETA was not popular.

Some fundamental issues needed to be resolved including the role of the federal government in this field, the types of activities that should

be authorised, who should be eligible, and how the funds should be allocated and the programs delivered. Many of the issues that were the most difficult to resolve would be hard to explain to an Australian audience and are probably less relevant in any event. These involved power relationships between federal, state, and local governments and between government and business roles in planning and administering program activities. After prolonged drafting, re-drafting and discussions among all interests, the new legislation was enacted just as the authorisation for CETA expired. State governments were given major responsibility for the planning and implementation of the new program.

The Job Training Partnership Act's statement of purpose clearly establishes employability development as the dominant goal: 'It is the purpose of this Act to establish programs to prepare youth and unskilled adults for entry into the labor force and to afford job training to those economically disadvantaged individuals and other individuals facing serious barriers to employment, who are in special need of such training to obtain productive employment'. The new legislation underscores this in the section requiring the Secretary of Labor to develop program performance standards: 'The Congress recognizes that job training is an investment in human capital and not an expense'. It goes on to specify that the basic success criteria for adult training are the net gains in employment and earnings and reductions in welfare dependency of the program participants. Success for youth is also to be measured in terms of the attainment of employment competencies, enrolment in further education and training, and enlistment in the military services.

The Act (Title II, Part A) authorises a broad range of training programs for disadvantaged youth and adults, including on-the-job training, classroom training, and other activities designed to help participants prepare for and find jobs. Essentially, this carries on all of the major types of activities funded under CETA with the important exception of public service employment. At least 90 per cent of the participants must be economically disadvantaged and at least 40 percent of the funds must be used to serve youth (ages 16 through 21). In addition, the legislation permits program operators to include one or more 'exemplary youth programs' in their activities. These could include special programs to help secondary school dropouts develop basic skills, pre-employment skill training for 14- and 15-year-olds, entry-level employment experience, and occupational information and other job placement assistance.

In addition to the deletion of public service employment from the options available to program operators, the other major change in authorised activities is the introduction of severe restrictions on the payment of training stipends or other forms of income assistance. The Administration was adamant on this point, which was a major issue in the legislative debate. The Administration position was that CETA had become largely an income maintenance scheme, rather than a training scheme: participants would enrol for the money they would receive while in the programs, rather than for the skills. The opposing view was that without income support while in the programs, many very poor people would not be able to participate. (It should be noted that most unemployed youth in the U.S. are not eligible for unemployment benefits because they fail to meet the work experience requirements.)

Two other parts of the Job Training Partnership Act are particularly relevant here. First, separate summer employment and training programs are authorised (Title II, Part B) for disadvantaged youth. Persons as young as age 14 are permitted to participate in these programs. Second, the Job Corps program, which has been operated by the federal government since 1964,

is retained. This, in my view, is an extremely important development. The Job Corps provides intensive remedial education, training and related services in residential centres for youth with severe labour market handicaps. Most of the participants have less than 12 years of education, half read at the 6th grade level or less, and many have an arrest record. Although it is the most expensive program (in terms of per participant costs to the government), careful evaluations consistently demonstrate it to be cost effective. The most recent evaluation found that in the first four years after leaving the Job Corps, a sample of youth who were enrolled in 1977 had earnings about 15 percent higher than comparable non-participants and were employed three weeks more per year.[6]

During the first two years of the Reagan Administration, perhaps the most salient short-term change has been in the level of funds budgeted for the programs, rather than changes in their content. Although the Congress did not give the Administration all of the budget cuts requested, the reductions were substantial. For example, during the last full fiscal year of the Carter Administration (1980), $8.3 billion was obligated for CETA activities. Subtracting the funds for public service employment would leave $5.1 billion.[7] It is expected that in the current fiscal year (1983) only $3.8 billion will be available for these activities.[8]

The new legislation is likely to have a major long-term impact on the operation of U.S. training programs. It is too early to judge whether the changes will result in youth being better prepared than they were under CETA. One clear - and reassuring - result of this process is the renewal of the U.S. government's commitment to the use of federal funds (albeit a lesser amount) to provide economically disadvantaged youth with opportunities to secure training.

Targeted Jobs Tax Credit

A second program that might interest Australians is the Targeted Jobs Tax Credit (TJTC). Begun in 1978 during the Carter Administration and amended in 1981 and 1982 during the Reagan Administration, the TJTC provides tax credits to employers who hire eligible workers. In several respects, it is similar to the subsidies available to Australian employers through the Special Youth Employment Training Program (SYETP). The basic elements of the American scheme has remained unchanged since enactment: employers are entitled to claim a tax credit equal to 50 percent of the first $6,000 of wages paid to an eligible employee during his or her first year of employment and 25 percent of the first $6,000 during the second year. Thus, the maximum credit is $4,500 per worker. Since firms cannot claim as a tax deductible expense those wages for which they receive a credit, the net value of the credit is less and varies with the employer's tax rate. (The maximum subsidy under the extended SYETP scheme is $2,975 for 34 weeks of work experience and on-the-job training.)

The major groups eligible are: economically disadvantaged persons between the ages of 18 and 24, students between the ages of 16 and 19 who are participating in a cooperative education program, and recipients of certain government transfer payments.[9] The 1981 amendments required the cooperative education students to be economically disadvantaged as well. (The use of family income as an eligibility criterion for this program as well as for most participants in the U.S. training programs described above

is an important difference from Australian employment and training programs. The key criterion for SYETP eligibility is duration of unemployment during the preceding year, not family income.)

The program was designed to encourage private employers to hire more workers from the eligible groups than otherwise would have been hired. The following procedure for receiving the subsidy was intended to be attractive to employers by minimising their dealings with government agencies: the U.S. Employment Service or other public agency would provide eligible job-seekers with a document that indicated their eligibility; the employer would notify the Employment Service of an eligible hire; the employer would then receive documentation that the wages paid would be claimable. Thereafter, all the employer needed to do was claim the credit on the tax forms. The theory was that, since private employers must fill out tax forms regularly, adding the subsidy to the tax system would be the easiest procedure for them. Of course, this meant that only tax-paying employers could participate, thereby excluding governments and non-profit organisations.

The 1982 amendments introduced a new subsidy that should be quite interesting to follow. Effective May 1983, employers will be able to claim a credit for 85 percent of the first $3,000 paid to eligible youth hired for (northern) summer jobs. Eligibility is limited to persons 16 and 17 years of age who have never worked for the employer claiming the credit and the youth must be from an economically disadvantaged family. Since the maximum exceeds the amount that young people could normally earn during the summer, the new subsidy will reduce the net wage cost of employing an eligible youth to a very small amount; for example, at the minimum wage ($3.35 per hour), the hourly wage rates, after subtracting the tax credit, would be 50 cents.

Although I am not familiar with any attempts to estimate the benefits and costs of TJTC, there have been a number of economic analyses of this type of program.[10] They point out the potential positive effects that targeted wage subsidies can have on the target group's employment and on the economy as a whole. The issues that become critical in the case of the TJTC involved alleged windfall gains to some employers on the one hand and lack of usage on the other. Between March 1979, when the program began, and June 1981, approximately 600,000 certificates were issued to employers. About 45 percent of these were for cooperative education students who, during this period, were not required to be economically disadvantaged to qualify. It has been estimated that 63 percent of the remaining certificates were issued retroactively - that is, the employer first hired the worker and then sought to have that person certified for the purpose of claiming a tax credit.[11] The 1981 amendments excluded non-disadvantaged cooperative education students from coverage and sought to eliminate retroactive certification. Both amendments reflected the conventional wisdom that the affected groups would have been hired anyway and, therefore, the tax credits in these cases were windfall to the employers. The extent to which hiring and retention decisions of employers were, in fact, influenced by the availability of the subsidy isn't really known.

It is clear that very little use has been made of the tax credit to employ disadvantaged youth.[12] A major study of the implementation of TJTC included interviews with employers (both those who used and those who didn't use the tax credit) and people involved with various aspects of the scheme. The authors concluded that the low utilisation of TJTC was due to reticence

on the part of employers, agency staff and the job-seekers themselves:[13]

- Employers reported fear of government involvement, resistance to alter hiring practices, lower productivity associated with the eligible group, and unwillingness to commit the staff time required to participate.
- Agency staff were often reluctant to devote resources to screen potential eligibles for TJTC vouchers, in part because they didn't believe it to be worthwhile.
- Some eligible job-seekers were reported to have not used the vouchers in the belief that they would be stigmatised.

Clearly there is a trade-off between having a subsidy scheme that employers will want to use and one that will be tightly targeted on a group whose members would otherwise not be hired. The terms of this trade-off, however, are extremely difficult to measure and assess. In the case of the TJTC in the United States, it may be that low participation is a reasonable price to pay for a scheme that, when it is used, helps a quite disadvantaged group. The challenge remains to find ways of improving the terms of trade, so that more disadvantaged youth can be employed.

NOTES AND REFERENCES

1. For a comprehensive examination of the changes in economic and domestic policies during the first 18 months of the Reagan Administration see PALMER, John L. and Isabel V. SAWHILL (eds.) The Reagan Experiment. Washington, D.C.: The Urban Institute, 1982.

2. SMITH, R.E., 'Training Schemes, Job Creation Schemes and Employment Subsidies for Youth: the U.S. Experience' in C.E. BAIRD, R.G. GREGORY, and F.H. GRUEN (eds.), Youth Employment, Education and Training. Canberra: Centre for Economic Policy Research, ANU, 1981, pp.7.1-17.

3. Employment and Training Report of the President (U.S. Government Printing Office, 1981), p.199. This is the median school years completed by members of the civilian labour force, as estimated in a March 1980 survey. The median for persons, aged 16 and over, who are not in the labour force is 12.0.

4. See O'NEILL, June A. and Margaret C. SIMMS, 'Education' in PALMER and SAWHILL, op. cit., p.329-59.

5. SMITH, op. cit.

6. MATHEMATICA POLICY RESEARCH INC. Evaluation of the Economic Impact of the Job Corps Program: Third Follow-up Report. Report to the U.S. Department of Labor (mimeo, September 1982).

7. Employment and Training Report of the President (1981), p.257. This included $2.0 billion for grants to state and local governments for comprehensive services to disadvantaged, upgrading, and retraining; $2.0 billion for youth programs (including $0.4 billion for Job Corps); and $1.1 billion for other authorised activities.

8. At this time, an appropriations bill has yet to be enacted; under the continuing resolution, the budget is $3.8 billion. Note that after adjusting for inflation these reductions would be even larger.

9. The rules described here are from the U.S. Internal Revenue Code, as amended by the Revenue Act of 1978, the Economic Recovery Tax Act of 1981, and the Tax Equity and Responsibility Act of 1982, reprinted in Employment and Training Reporter, Supplement No. 241 (October 27, 1982), p.51-54. Other target groups include: vocational rehabilitation referrals and economically disadvantaged Vietnam-era veterans and ex-offenders.

10. The state of the art is well represented in HAVEMAN, Robert H. and John L. PALMER (eds.) Jobs for Disadvantaged Workers: The Economics of Employment Subsidies. Washington, D.C.: The Brookings Institution, 1982.

11. OHIO STATE UNIVERSITY, Mershon Center CETA Study, The Implementation of the Targeted Jobs Tax Credit, final report to the U.S. Department of Labor (mimeo, January 1982), p.25-29.

12. I know of no good estimates of the number of youth who would qualify, but it is clear that it greatly exceeds the number of certificates issued each year. John Bishop, who has examined the participation issue closely, estimates that in fiscal year 1980, employers sought certificates for no more than six percent of the number of disadvantaged youth who were hired during that year. ('Comments by John H. Bishop' in HAVEMAN and PALMER, op. cit., p.286.

13. RIPLEY, Randall and Grace FRANKLIN (Ohio State University), Private Sector Involvement in Public Employment and Training Programs, prepared for the National Commission for Employment Policy (mimeo, December 1981), p.86-88.

REVIEW PAPER NO. 7

THE GOVERNMENT RESPONSE TO UNEMPLOYMENT: A CRITICAL REVIEW

by

John Freeland*

February 1983

* Department of Social Work, University of Sydney

Preface

When first approached to write this review paper I knew what I wanted to say but had no idea of its eventual length. However, I believe the length is justified by the material covered.

My first objective was to be comprehensive, to provide an overview of total program provision for the unemployed, as opposed to concentrating on specific programs. The intention was to provide an opportunity for people to place their particular program in its full perspective.

My second objective was to be informative. To this end there is a largely descriptive historical section 'The Government Response', which traces developments in policy and provision. This is supplemented by a timechart of developments from 1972 to 1982 (Fig. 1), tables of expenditure (Tables I-V), and Graphs providing breakdowns of expenditure and unemployment (Figs. II-XII). Figs. XIII-XVI present summaries of all existing federal government programs other than those operating under the Transition Education umbrella.

The third objective was to be critical where I believe there is a need to be critical. To this end there is a section, 'Analytical Framework', which establishes the evaluative criteria to be applied, and a section titled 'The Government Response Evaluated' which falls into two parts. The first uses the accompanying tables and graphs to uncover underlying policy preferences, objectives, omissions and discriminations. The second part looks more closely at specific programmes (CRAFT, SYETP and TRANSED) and develops a series of recommendations for reform.

Some notes of caution. This review paper is political. If unemployment is nothing else, it is a political issue. In places it is polemical and committed. For this there are no apologies. My intention has been to provoke debate and perhaps some controversy. For too long unemployment has been ignored and for too long the government's policy statements have been accepted at face value - that they are concerned and doing something. For too long the ALP has failed to prepare a credible policy on unemployment - more money is an essential start but it is not enough. Perhaps if there is some controversy, some debate, and a few hurt egos there may emerge a better understanding of the problems to be confronted and a better quality provision for the unemployed.

Last, there are undoubtedly gaps in my analysis and qualifying factors not adequately considered. There is perhaps an emphasis on problems and criticisms to the exclusion of a number of positive achievements. My intention is not to deny these achievements, nor the valuable work being done by many people. However, if the present government is at all serious about its claims of concern for and 'commitment to help the young unemployed and others disadvantaged in the labour market', it must act immediately to increase expenditure on unemployment and training programs (to at least $880m.), to fill the gaps left by those programs, and to remove the discrimination inherent in their operation.

N.B. Programs funded as a result of the wages pause have in some cases been referred to, but these developments have been too recent to be included in this analysis.

. Percentages throughout the text of the paper have generally been rounded to the nearest whole figure.

In 1976 the OECD Review of Education Policy in Australia posed the following question about transition:

> What steps are being taken ... to bring about an adequate degree of coordination between educational and employment policies and between the respective agencies so as to ease the problems confronting young people as they make the transition from education to work (OECD, 1976: 67)?

The answer then was that there was virtually nothing being done. Today the situation is not much better. The objective of this Review Paper is to draw on existing information and research and, from that, develop an overview of Commonwealth programs focusing on the transition of young people from school to work and on unemployed young people: Commonwealth unemployment and training programs. It is hoped that the analysis will provide some insights into gaps and shortcomings evident in the existing provision and, for people working in specific areas such as Transition Education, a broader basis for evaluation of and further work in particular programs.

Most of the existing research has focused on evaluating the effectiveness, in terms of objectives, of specific programs: the Education Program for Unemployed Youth (EPUY), the Special Youth Employment Training Program (SYETP), specific school and TAFE college Transition courses, and the Relocation Assistance Scheme. There exist very few historical and evaluative studies of the overall mix of programs. The Brotherhood of St Laurence, with finance coming from the Victorian Department of Community Welfare Service, published what is still the most comprehensive analysis of Commonwealth policies and programs for the unemployed in 1979. We then had to wait until 1981 for the appearance of the first historical overview of Commonwealth policy and program development. These studies, however, came to widely divergent conclusions. Kirby (1981: 4.32) concluded that

> For the present, manpower programs in Australia are somewhat stymied. A good deal of what has been tried overseas has been tried here. There would be merit, therefore, in seeking to improve the manpower programs now in operation than seeking to extend their reach

whereas the Brotherhood of St Laurence had earlier (1979: 176) found that

> the inadequacies uncovered ... are a function of a manpower policy which is poorly articulated and planned, and which is constrained by a political ideology which emphasises minimum government intervention.

Did so much change between 1979 and 1981? Apparently not, for Kirby, in his 1982 Clearinghouse Review Paper, written after he had moved to the Victorian Ministry of Employment and Training from the Federal Department of Employment and Industrial Relations, wrote that for the young disadvantaged school leaver and job seeker,

> The problems are made worse if the responses are fragmented, partial and lack stability. There seems to be no policy framework ... [and] the

> incoherence and irrationality in the overall approach is even more evident when the distribution and use of resources in the current efforts are taken into account (Kirby, 1982: 52).

It would thus appear that the existing Commonwealth policies and programs leave much to be desired but there is very little in the way of publicly available and current material which shows just what is amiss. The Bureau of Labour Market Research has in the last twelve months started to fill some of the information gaps (Hoy and Lampe, 1982; Paterson, 1982; Stretton, 1982), and is presently conducting an analysis of employment and training programs for young people (BLMR, forthcoming). The current paper will draw on this material but seek to provide a wider framework for analysis and evaluation.

Analytical Framework

Stretton (1982: 2-4) addresses a number of conceptual problems associated with program and policy evaluation. First, the individual programs are frequently marked by changes in official objectives (for example the Community Youth Support Scheme [CYSS]), and by objectives which are not clearly specified. Stretton's solution to this problem, to assume a 'general objective of improving the employment prospects of the long-term unemployed or disadvantaged youths who pass through the program' (1982: 2), is adopted by this paper. However, it must be remembered that this solution leaves open the question of just what is an improvement in employment prospects (Stretton, 1982: 2) and ignores the possible objective of assisting the unemployed to cope more effectively with their unemployment. Moreover, it is essential to remember that there is substantial disagreement over how best to improve people's employment prospects: by concentrating on individuals' basic skills as does EPUY; or by seeking to expand the number of jobs as does the NSW Workers Co-operative Movement. A further problem related to program objectives is the reality that objectives will frequently undergo significant changes in the processes of implementation. This has occurred with EPUY and it raises the question of which set of objectives, the official or those operating at the grassroots, are the most appropriate for evaluative purposes (see Freeland, 1981).

When the move is made to evaluative overviews, there are further problems. Again, as Stretton (1982: 2-3) points out, a possible objective might be to reduce the level of youth unemployment by creating more jobs, or the goal might be to prevent the emergence of groups of hard core unemployed youths by shuffling the existing stock of jobs and by recycling the experience of unemployment. With regard to this alternative, this paper will rely on the Commonwealth Government's stated objective for youth:

> The aim of the Commonwealth's policy is that ultimately all young people in the 15-19 age group would be provided with options in education, training and employment, or any combination of these, either part time or full time, so that unemployment becomes the least acceptable alternative (Carrick and Viner, 1979).

While it must be acknowledged that this policy statement, presented as A Comprehensive Policy for Transition from School to Work, gives no indication of just what 'ultimately' means, it does establish a policy of expanding full and part-time opportunities for work and education to a point where youth unemployment is negligible. Policy and programs can be evaluated on the basis of progress towards this objective. This evaluative criteria is consistent with the Brotherhood of St Laurence's second criterion that 'manpower programs should be planned in conjunction with other programs and related services to ensure comprehensive coverage of complex functions' (1979: 45), and with Kirby's (1982: 52) statement that

> In transition, the disadvantaged young in particular are likely to require access to a wide range of programs and services, including remedial education, vocational training, work experience, counselling, employment service and related support.

From this general evaluative criterion further more specific criteria can and must be developed, but this can be attempted only after the context of program development and implementation is considered. To this end the first task is to provide a brief picture of the existing and potential participants in programs. While the unemployment rate for all persons was 9.5 per cent and rising in December 1982, the rates for male and female juniors (15-19 years) looking for full-time work were 25.3 per cent and 27.6 per cent respectively. We know that from the mid-1960s the 15-19 year-old unemployed have made up approximately one-third of total unemployment, while unemployed 15-24 year-olds have made up between 50 and 55 per cent of the total. In both cases the proportions have been falling since early 1981.

ABS statistics indicate the variability of unemployment in different States (from eight per cent in the Northern Territory to 11.4 per cent in Tasmania in December 1982) and the variable rates of increase in unemployment in different States (with juniors looking for full-time work in Victoria and NSW increasing by 16.5 and 44 per cent respectively in the twelve months to December 1982, and persons aged 20 and over looking for full-time work in the two States increasing by 74 and 127 per cent respectively over the same twelve months).

Stricker and Sheehan (1981), Cass and Pedler (1981) and the ABS estimates of discouraged job seekers (Cat. No. 6220.0) indicate that if the hidden unemployed were to be added to unemployment estimates the result would be at least 15 per cent in December 1982. Gregory (1982) has shown that 30 per cent of the unemployed have not previously held a full-time job; that in 1972, 80 per cent of the unemployed were unemployed for less than three months but that by 1981 it had fallen to 47 per cent; and that if a person had just become unemployed in 1974 he/she could expect to be unemployed for five weeks but that the average duration had risen to sixteen weeks in 1981. Sweet (1981) has shown that changes in the teenage labour market during the seventies severely disadvantaged young women: with a 3 per cent decline in full-time jobs for males and a 26 per cent decline for teenage girls; and that by August 1980 part-time jobs provided 27 per cent of teenage female employment compared with 18 per cent for males.

From this brief and very incomplete rundown it is clear that unemployment is variable in its impact, with certain groups being largely unaffected, others being marginally affected with rare and even then short periods of

unemployment, and yet other groups being severely affected. Within the latter group must be included: those without previous employment experience; those with no prior full-time job; early school leavers and those leaving school with poor results; those born outside Australia, northern Europe or North America; unskilled and low skilled workers; those working in clerical and retail occupations and those in the textiles, building and, more recently, heavy manufacturing industry; those living in company or single industry cities such as Whyalla, Wollongong and Newcastle; and those living in the traditional manufacturing States of New South Wales, Victoria and South Australia. To this list a rider must be added: in all the instances of existing or potential labour market disadvantage, women are doubly disadvantaged by the sexual segmentation and division of labour. When these factors are combined the effect can be disastrous as, for example, it is for early female school leavers in Wollongong.

To this list must be added further factors. First, employers quite obviously seek to maximise cost effectiveness in their selection of employees: a reality which in many cases leads to those already disadvantaged on the labour market being virtually excluded from the job race. Again, this effect is compounded by ongoing prejudices against employing, for instance, women and blacks in certain occupations. Second, educational institutions running transition type courses have a tendency to select those applicants who are most likely to succeed, there being little cost effectiveness in 'failures' and there being little joy for a teacher in seeing nothing but 'failure' come from each lesson (the students' or the teachers'?).

Third, the geographical placement of programs for training and for the unemployed will not automatically correspond with the areas of greatest need. Frequently placement will depend on the prior existence of facilities as is the case with TAFE based Transition courses. In the case of submission based programs (CYSS) there is no guarantee that the need criterion will be adequately considered. When programs are based on direct subsidies and rebates to private employers (SYETP and the Commonwealth Rebate for Full-time Apprentice Training [CRAFT]) there is the likelihood of provision being concentrated in areas of expanding employment as opposed to severely depressed regions such as Wollongong and Newcastle. The impact of these factors is that those who live either in economically depressed regions and/or in areas inadequately serviced by educational and governmental facilities are much less likely to receive the assistance they need.

Fourth, overseas experience and research shows that 'it is easier to provide employment for young people than to improve their employability' (Kirby, 1982: 49), and that 'temporary public (and private) employment jobs do not integrate workers into the labour market' (Kirby, 1981: 31). It is very much common sense, but experience and research bear out the reality that increased training and subsidised work experience are no substitute for permanent jobs.

Last, unemployment is not a one dimensional experience. Many unemployed people suffer, as a result of their being unemployed, extremes of social isolation, alienation and loss of identity. Moreover, in every large city there are areas of significant homelessness: a person without a job frequently cannot afford stable accommodation, but a person without a home cannot get a job. The experience of unemployment is multi-dimensional and provision for the unemployed must be multi-faceted and well integrated.

Taking the above factors into consideration, more specific evaluative criteria can now be developed:

1. Planning, development and implementation of unemployment and training programs should be conducted at the national level to ensure, at the macro level, provision for all the unemployed seeking assistance and, on grounds of equality of opportunity, to provide positive discrimination for those most disadvantaged. Program planning, integration and implementation is, as Kirby argues, 'as critical for success as design and the amount of money available' (1982: 51).

2. Unemployment and training programs should clearly specify their objectives, their target group and their location within the overall framework of assistance and intervention; and they should be funded for a guaranteed period which ensures sufficient time for local and national evaluation and modification. As Hoy and Lampe (1982) point out, the labour market is critically segmented and, as a result, programs which are based on the principle of 'decategorisation' (the Regional Employment Development [RED] Scheme and the early National Employment and Training Scheme [NEAT]) will tend to discriminate against disadvantaged groups such as women.

3. Unemployment and training programs should be an integral part of an overall government policy of active intervention in and stimulation of the structures and processes of production to guarantee an expansion of employment opportunities. Programs which are dependent on the state of the private sector, which concentrate on the 'employability' of the unemployed, which seek to improve the flow of vocational information and which seek to improve the match between the unemployed and the available jobs will never provide a solution to unemployment in a stagnant or contracting labour market.

4. To ensure maximum effectiveness unemployment and training programs must facilitate local and regional input at the planning stage and, at the point of implementation, be locally controlled and evaluated with an emphasis on co-ordination of the local and regional program mix.

The Government Response

Fig. 1 provides a timechart of the development of Commonwealth unemployment and training programs from 1972 to 1982. Before 1972 provision for the unemployed was based on the assumptions that the labour market is best left to sort itself out and that unemployment was best explained through reference to a combination of seasonal, cyclical and frictional factors, and the inadequacies of individuals in terms of ability to accommodate themselves to the demands of the labour market. Consistent with this, provision for the unemployed before 1972 was restricted to Unemployment Benefits, the Commonwealth Employment Service and a smattering of training subsidy schemes for Aborigines, country people and retrenched workers. The first was seen as a short term low level supplementation to people's

savings because 'it was assumed that unemployment was a temporary condition and that supply and demand in the labour market would tend to balance' (Myers, 1977: 6). CES was seen as an aid in minimising any mismatch between labour supply and demand, and the training schemes were a limited response to the needs of disadvantaged segments of the labour market.

The ALP came to power in December 1972 with a broad objective of technocratic management of the economy in the name of efficiency. It was assumed that more efficient management would lead to faster rates of growth in the GDP which would, in turn, finance social wage initiatives (Medibank, the Australian Assistance Plan and Schools Commission programs) in the name of equality of opportunity. Streamlining the operation of the labour market was an integral part of this program, as indicated by Cameron, the Minister for Labour, in March 1973: 'where tariff changes cause displacement, we will be there to sustain the displaced workers. Where technological change makes a skill obsolescent, we will be there to teach another skill' (Australian Financial Review, 14 March, 1973).

In March 1973 Unemployment Benefits were indexed and separate rates of benefit for 16-20 year-olds were abolished. July saw a 25 per cent across the board tariff cut (an attempt to force an increase in efficiency) and, in an effort to reduce the effects on workers retrenched as a result of government policy, the Structural Adjustment and Assistance Scheme was introduced to provide income maintenance and supplementation.

Two reports, commissioned by the Labor Government, by the Australian Interdepartmental Mission to Study Overseas Manpower and Industry Policies and Programs and the Committee of Inquiry into Labour Market Training, were published in 1974. These reports advocated the rationalisation and expansion of the government's role in training and re-training, and favoured the development of large scale general programs with no categorisation of target groups. As a result of the latter committee's report most of the existing non-trade programs were abolished and replaced by NEAT which provided formal institutional based training and on-the-job training. Full-time training allowances equal to the minimum adult award wage were provided and eligibility was virtually unrestricted. NEAT began operating in October 1974, and, at approximately the same time, the National Apprenticeship Assistance Scheme (NAAS) was introduced to increase the flow of tradespersons into the labour market by offering subsidies to employers taking on more apprentices.

The last and most significant Labor initiative was to announce the establishment of a major public sector job creation program, the Regional Employment Development (RED) Scheme on September 11, 1974. RED was initially designed to improve employment opportunities in high unemployment areas by encouraging labour intensive locally initiated projects of a socially useful or economically viable nature. Approvals for the first projects were announced within thirteen days, but the impact of the 1974 international recession was being felt on the domestic labour market by this time. Political panic set in. Before the administrative structures for the initial scheme could be properly set in place RED was expanded to all regions. This changed it into a program designed to mop up unemployment generally.

The Labor Government's objective had been to introduce elements of forward planning and selective intervention in the free market operations of the labour market with a view to easing both bottlenecks and the burden placed on those adversely affected by structural change. However, the

vehicles adopted were large scale general programs (RED and NEAT) which ran the risk of missing out those most disadvantaged on the labour market. This was evidenced in both programs. While the first year of NEAT did not disadvantage women, those taking advantage of its opportunities were not generally the most disadvantaged women. The public works orientation of RED, however, meant that women were severely disadvantaged: with only three women out of 430 participants in October 1974, and only six per cent of the 29,829 participants in June 1975 being women. Because these programs did not target specific groups it is impossible to ascertain age breakdowns and we therefore do not know the extent of assistance extended to youth, the only exception being NAAS.

As a result of some of these problems explicit eligibility conditions were imposed on NEAT late in 1975. Participation was restricted to the unemployed, training was linked to occupations in demand and trainees could not undertake training for a period longer than the time they had been in the labour force (Hoy and Lampe, 1982: 12). However, target groups were not specified and the overall effect of these changes was to reduce the participation rate of women, particularly those seeking to re-enter the labour market.

The overall legacy of the Labour Government was a very much increased commitment to providing unemployment and training assistance but very little assistance for specific groups disadvantaged on the labour market. Expenditure on unemployment and training programs in 1975-76, Labor's last budget, was 362 million dollars (see Table 1), and program expenditure per person unemployed was $1,203.5 in 1981-82 prices (see Table V). RED accounted for 59 per cent of the total expenditure (see Table II) and, at its peak in June 1975, assisted 29,829 people before declining to 20,603 in September 1975. NEAT, with 19 per cent of the total (Table II) was assisting 14,115 (52 per cent women) in September 1975. Of the total outlay 62 per cent went to public sector programs; 19 per cent to private sector employers in the form of subsidies and rebates (mostly NAAS); and 5 per cent went as allowances to individuals in training (see Table III). How much of the total went to assisting 33 per cent of the unemployed, those under 20 years, is not known. Labor's intention may well have been admirable, but it is doubtful if the groups most disadvantaged (the young, women, blacks, etc.) received their equitable share of the program cake. The specific problems of transition from education to work had yet to be addressed.

The immediate consequence of the dismissal of the Labor Government and the later election of the Fraser Government was the abolition of RED. In accordance with its ideological opposition to public sector job creation programs RED was dismantled before administrative positions could be filled. No attempts were made to introduce guidelines to ensure effectiveness nor to ensure adequate representation of the young, women, and other disadvantaged and under-represented in RED schemes. By February 1976 there were only 2,681 people employed in RED schemes. The burden of unemployment was further thrown on to the shoulders of the unemployed by the decision in November 1975 to withhold increases in the Unemployment Benefit arising from indexation from 16 and 17 year olds. In January and March 1976 eligibility requirements for the dole were tightened and payment was withheld from end of year school leavers until the beginning of the following school year.

The 1976-77 Budget saw a further setback for the unemployed. Expenditure on unemployment and training programs was slashed from Labor's

figure of $362.97m to $122.12m (Table I) and expenditure per person unemployed was cut from $1,203.5 to $375.6 (Table V). RED had been dismantled and there was no move to replace it. Other consequences of this change were an increase in the proportion of total expenditure going to private sector employers in the form of rebates and subsidies (from 19 per cent to 66 per cent); and a high proportion of total expenditure being allocated to youth (15-24 years). A minimum of 66 per cent of program expenditure went to youth, mainly in the form of apprenticeship assistance (Table IV).

This saw the emergence of a major concern in program policy and development of the Liberal Government. The all encompassing general training program was on the way out and was gradually replaced by programs aimed at specific groups, usually youth. September 1976 saw the introduction of what was to become a major program for unemployed young people, SYETP, which provides direct wage and salary subsidies for private and public sector employers for taking on trainees for a specified period. CYSS, the first and only program based on community action and providing support for unemployed persons under 25 years was introduced in November 1976 (see Freeland, 1982, 1983). While both these programs must be categorised as being directed at the problems of transition, the education system was still to be implicated in program provision. This occurred in February 1977 when EPUY began operating through Technical and Further Education Colleges (see Hubbert, 1980; Freeland, 1981). Apprenticeship training was also revamped with NAAS being slowly replaced by CRAFT which offers tax free rebates to employers to compensate for the time apprentices spend in formal training at college.

The 1977-78 and 1978-79 budgets saw increases in allocations for unemployment and training programs, reaching $228m (1980-81 prices) or 63 per cent of the 1975-76 allocation, only to be slashed to $152m. (1981-82 prices) or 42 per cent of the 1975-76 benchmark, in the 1979-80 budget. The Williams Report on Education, Training and Employment was also published in 1979. With regard to schooling and the labour market the Report argued that although schools were not responsible for youth unemployment, they could do more to prepare young people for labour market competition through an increased emphasis on the basics and on scientific and technical education, and by the introduction of work experience programs in schools and technical colleges. Although these findings were not significantly different from those of previous reports (Australian Education Council Working Party, 1977; Australian Schools Commission, 1977; Office of Youth Affairs, 1977; and OECD, 1977), the Williams Report did provide (perhaps unintentionally) an ideological justification for the continuing dismantling of the short-lived social democratic sentiment in Australian schooling. The central concerns of the Karmel Report and the Schools Commission, equality, diversity, community participation and innovation, were replaced by the ideological pair, quality and efficiency (Freeland and Sharp, R., 1979, 1981).

At the same time pressure on the government to do something constructive for the young unemployed was increasing from the media and from organisations such as the Brotherhood of St Laurence, the Australian Council of Social Services and the Catholic Commission for Justice and Peace. In July 1979, the Schools Commission's Report for 1980 had called for 'the development of a cohesive support policy for youth', and for a broadening in the coverage and scope of the embryonic school to work transition activities which had developed without any overall rationale (Schools Commission, 1979: 6).

Hints of the Government's reaction were forthcoming at the National Youth Conference held in the first week of October. Mr Fraser opened the conference and told a largely hostile audience that

> ... in a number of secondary schools there is too much emphasis on academically oriented courses, too much attention to the students who can fit those courses (or perhaps) too little attention to the students who don't fit those courses, who don't fit into the academic stream, who need a different kind of training ... more vocationally oriented, more technically oriented (Sydney Morning Herald, 4 October 1979).

This attack on the school system was followed, the next day, by the Minister for Employment and Youth Affairs, Mr Viner, telling the conference that the government was considering a new school to work transition policy which would improve the interface between education and the labour market and prevent significant overlap and wasted public resources (Australian Financial Review, 5 October 1979).

The Australian Education Council met on the last Friday of October 1979 and agreed to a transition policy and program which would identify school students likely to have difficulties in the labour market and offer them special help in the form of vocational guidance, work experience and pre-vocational courses. The response of the Sydney Morning Herald was to welcome the 'modest addition to the Government's woefully inadequate list of measures to assist the unemployed', but raised questions relating to the Government's full intentions:

> It has ... been suggested that the object may be to bring about a synthetic reduction in the unemployment figures and possibly a net reduction in Commonwealth spending. Others have wondered whether the Government is making much noise about the transition policy so as to create the impression that it is acting decisively on the youth unemployment question (Sydney Morning Herald, 2 November 1979).

Even if the latter was not the objective of the Government, the formal announcement of A Comprehensive Policy for Transition from School to Work on 22 November did quieten the media criticism of government policy on unemployment. The Commonwealth undertook to provide $150m. over five years and $25m. in 1980. However, the States had to wait for three months before the funding guidelines were finalised by the Commonwealth and when they were announced they disqualified funding programs which had been initiated prior to the October decision. Thus those States which had not started their own Pre-Apprenticeship courses could receive Transition funding but those which had, Victoria and New South Wales, could not expand them with Transition funds. The New South Wales Government made four submissions for funding before they received their share of the $15.6m. allocated for 1980: $9.4m. less than the promised amount. The 1979-80 expenditure on Transition education was $4.5m.: an allocation which made no significant difference to the plight of the unemployed, and no significant impact on the 1979-80 budget cuts to unemployment and training program funding. The announcements did, however, put an end to media concern for the unemployed and unemployment: at least until the second half of 1982.

Since then developments in Transition Education have been recorded by the Clearinghouse Newsletters and evaluated by, among others, Blakers (1981), Cole (1982) and Kirby (1982). All States have conducted program evaluations and problems such as female participation in Transition courses in schools have begun to be addressed with, for example, specific amounts of money being reserved for special transition courses for girls and migrants in NSW schools from 1983. However, it remains to be said that the original statement of objectives for a Comprehensive Policy for Transition from School to Work saw Transition Education as an integral part of a broad policy and program commitment to reduce youth unemployment to insignificant proportions. In the concern to make Transition Education as effective as possible there has been a tendency to see it as the program charged with the task of providing solutions. The concern for Transition Education has tended to contribute to the other programs dropping from sight.

The only real exception to this was of the Government's own making: the ill-fated decision to disband CYSS made in the 1981-82 budget (Freeland, 1982; 1983). In the same budget the allocation to unemployment and training programs was increased to (actual expenditure) $239.71m., a figure which still represented a real cut of 34 per cent from 1975-76. The other major change was to finally dismantle NEAT and recategorise all programs (see Table I).

At this stage it is impossible to offer much in the way of comment on the 1982-83 budget allocations and developments since then. We do know that the allocation for the year was $290.32m., an increase of ten per cent in real terms over 1981-82 expenditure, but an increase which still leaves the total 29 per cent below 1975-76 in real terms. It is also known that the take up of SYETP subsidies was running approximately 30 per cent below target for the first three months and that, with an expected 20 per cent or greater drop in apprenticeship indentures in 1983, expenditure on CRAFT rebates will be significantly down on expectations. In response to mounting criticism the Government allocated $20m. for a special SYETP type program for unemployed persons over 24 years, and reintroduced Commonwealth funding for SYETP in State Government departments and instrumentalities at an expected cost of $2m. There have been no extra allocations from Treasury for these initiatives so it can be assumed that they will be financed from the shortfall in expenditure on SYETP and CRAFT. The other major initiatives relate to the pay freeze and the allocation of the subsequent savings: $100m. for public sector housing; $200m. to be administered by the States and spent on job creation type projects run by State Government departments, local government councils and, to a lesser extent, community groups; and $4m. for an experimental Community Projects Program to be administered by DEIR. Very little is known of these initiatives but it is gratifying to know that there is a concern for the longer term unemployed (over 15 weeks) and for equal participation by males and females.

The Government Response Evaluated

A useful starting point for the evaluation is to provide a basis for evaluation: the Government's self proclaimed policy objectives and its proclaimed achievements. With regard to transition the previously quoted objectives of the Comprehensive Policy for Transition will suffice. With regard to the proclaimed achievements Mr Macphee's 1982-83 Budget News Release (17 August 1982) is illustrative:

> This increase (from 1979-80) is a positive response by the Government to recent developments in the labour market. The 1982-83 allocation again demonstrates the Government's full commitment to help the young and others disadvantaged in the labour market ... The new initiatives provide increased assistance for the unemployed, improve flexibility in the labour market and complement recovery in the private sector.

Despite the reality that the latter comment about recovery now appears to be little more than a sick joke, the other claims do need to be tested. First, the increases in expenditure. Table I and Figs. II and III provide a breakdown of the situation. In current prices there has been an increase in expenditure from 1975-76 to 1981-82, but in real terms (using public sector deflators to convert current prices to 1981-82 prices) there has been a real cut of 34 per cent: from $362.97m. in 1975-76 to $239.71m. However, the cut was not executed evenly over the years (see Fig. II). Rather, there were two fairly severe reductions, in 1976-77 and 1979-80, followed by increases. The immediate question is why the cutbacks in those particular years? Fig. II, plotting real expenditure on unemployment and training programs run by DEIR and the Education Department against the unemployment rates for juniors (15-18 year-olds) and for all persons, clearly shows that the expenditure changes are in no way related to unemployment rates. Similarly, Fig. III shows that there has been no relation between expenditure cuts and the numbers of people unemployed (total, male, female and juniors).

This stark reality is again borne out by Table V and Figs. IV, V and VI. Table V shows that in real terms program expenditure per person unemployed was cut from $1203.50 in 1975-76 to $375.60 in 1976-77 before being increased to $563.00 in 1978-79. This was followed by another cut to $376.08 in 1979-80 and a further increase to $571.15 in 1981-82; a real cut of 53 per cent in program expenditure per person unemployed from 1975-76 to 1981-82. When expenditure on Unemployment Benefits is added to program expenditure we find the same pattern of fluctuations and an overall cut in per person expenditure of $1,014.22 or 24 per cent from 1975-76 to 1981-82. These results are plotted in Fig. IV and V. Table V also records the required expenditure for each year, to maintain parity in real terms, with the 1975-76 expenditure on unemployment and training programs per unemployed person and expenditure on the dole plus programs per unemployed person. For parity with 1975-76 to have been maintained in 1981-82 expenditure on programs would have had to have been $505.11m. as opposed to the actual level of $239.71m.: a shortfall of $265.4m. The shortfall for Unemployment Benefits and program expenditure combined was $425.67m. Fig. VI presents this information in graph form.

In interpreting these statistics it is important to keep in mind a number of qualifications. First, as Kirby (1982: 51) says, 'program planning and implementation is as critical for success as design and the amount of resources made available'. Second, as indicated by the Director of the Bureau of Labour Market Research, Mr Norm Fisher, 'the scale of program expenditure is a function of the type of programs, the scale of allowances, the number of placements, the type of participants, etc.' (personal correspondence: 18 January 1983). It is true that more effective and efficient planning and implementation of programs will produce either the same or better results (improved employment prospects and records) with less money. Equally it is true that more cost effective programs

(for example labour intensive as opposed to capital intensive job creation programs) can assist the same number of participants for less money. It is also possible that today's range and mix of programs are better planned and implemented and more cost effective than were those of 1975-76. If so, the present Government could be assisting more people more effectively with less money. Perhaps they do not need as much money to provide more than did the Labor Government. This possibility needs to be analysed.

However, neither the validity of the qualifications nor the possibilities sketched above alter the fact that there has been a vast reduction in real and per capita levels of expenditure. If the real level had been maintained and if the programs had been made more effective many more people than there presently are would be receiving assistance. If the criterion of evaluation is the 1979 objective to provide education, training and employment opportunities to the extent that 'unemployment becomes the least acceptable alternative', the only conclusion that can be drawn is that the cuts have not been justified by any of the qualifications.

If the cuts bear no relation to the unemployment rate of the number of unemployed, and if they cannot be adequately explained by possible increases in efficiency, etc., how are they to be explained? Perhaps the answer lies in terms of election years. Both cuts, in 1976-77 and 1979-80 occurred in non-election years and provided a conveniently low basis for comparison with 'expenditure increases' in subsequent election year budgets. The 1979-80 low point has been used in subsequent Ministerial budget press releases as the benchmark for evaluating the Government's commitment to the unemployed.

This does not, however, explain the composition of overall expenditure over the full period. Erratic manipulation of aggregate expenditure does not rule out the possibility of a coherent and consistent division of funds between the various programs.

For such analysis the obvious starting point is the present Government's concentration on programs for the young unemployed, for those in transition. In fact there was no existing program which excluded youth until the December 1982 announcement of a SYETP type program for adults over 25 years. Table IV and Figs. VII and VIII provide detailed breakdowns of the expenditure division. It is evident from Table IV that there has been an increased categorisation of programs with specific targeting for youth (those under 25 years) commencing in the 1976-77 budget. As previously indicated such targeting is desirable if the most disadvantaged are to be assisted. Since 1977-78 the minimum allocation to youth has varied from 75.68 per cent (1977-78) to 81.35 per cent (1980-81) while the higher estimate has fluctuated from 82.08 per cent (1977-78) to 85.85 per cent (1980-81). These massive proportions prompted the drafting of Fig. VII: if so much is allocated to youth perhaps there is a positive relationship between levels of Junior (15-18 years) unemployment and fluctuations in the aggregate amounts spent on youth programs. Despite the problems of comparison (15-18 years compared with under 25 years) it is obvious that there is no positive relationship. This conclusion is strengthened by the fact that the vast bulk of expenditure on youth programs goes to those under 19 years with 71 per cent of all program assistance recipients in 1980-81 being 15-19 years; 19 per cent from 20 to 24 years; and only 9 per cent being over 25 years (Hoy and Lampe, 1982: Table 7).

Fig. VIII compares the proportion of total expenditure going to

persons under 25 years (minimum and higher estimates) with the proportion of the total unemployed population made up by those under 25 years. It should be stressed that the impression gained from this graph slightly exaggerates the reality because a large proportion of the young assisted by programs are excluded from unemployment statistics by virtue of their participation (Trade Training Programs and SYETP). If they were added to unemployment estimates the 15-24 years group would make up a larger proportion than the unemployed 15-24 year olds as a proportion of total unemployment. Despite this, it is evident that a disproportionate share of total expenditure is directed to youth with from 75 to 85 per cent of outlays going to 50-55 per cent of the unemployed since 1977-78. The situation for those unemployed not in transition is, however, worse than this graph indicates. Since 1977-78 allocations for the Special Training Program (programs for the disabled and Aborigines) fluctuated from 9 to 11 per cent. This left, in 1981-82, a maximum of 8 per cent to total unemployment and training program expenditure being allocated to half the unemployed population (those over 24 years). The lower estimate of their share in 1981-82 was 5 per cent.

Kirby (1982: 51-52) considers the Government's resolution of the 'choice between helping future adults now or waiting to deal with the problems that remain when the young people become adults' and concludes that, on the grounds of economic, equity and other social factors,

> ... in the short term there is a case for giving a higher priority to the labour market problems of adults than to youth, but in the longer term a failure to invest in easing the transition problems of young people is likely to prove costly to the development of Australia.

While agreeing with some priority being given to the problems of transition, I cannot see how, on grounds of equity or any other factor, the existing division of funding can be justified. The recently announced $20m. for an SYETP type program for those over 24 years is welcomed as a move in the right direction but the fact that it is to be financed by a transfer of funds from youth-based programs (SYETP and CRAFT) cannot be endorsed. Rather, the Government should increase its total allocation to 1975-76 parity per unemployed person, at a minimum, and devote the bulk of the increase to persons over 24 years. In the meantime many people who can only be classified as being severely disadvantaged (migrant women retrenched from the textile industry, retrenched unskilled and semi-skilled workers in their 50s) are being ignored. The present Government quickly dismantled programs which for all their inadequacies did offer assistance to such people (RED, the Structural Adjustment Assistance Scheme and aspects of the original NEAT). Nothing has been done to fill the gaps. By Mr Macphee's own criterion of 'full commitment to help the young and others disadvantaged in the labour market' the Government stands condemned by its disregard for half the unemployed population.

The search for a rationale for government policy continues. Table II and Fig. IX provide a proportional distribution of expenditure by type of program: Apprenticeship Training Programs, Training Subsidies and Allowances Programs, Public Sector Jobs Creation Programs, Education Department Programs, Community Based Programs and Income Support Programs. Beyond the obvious fact that the Government has been opposed to any form of public sector job creation program, it is apparent that policy was in a state of flux until 1979-80, with erratic changes in allocations to trade and non-

trade training and work experience programs. Since the introduction of Transition Education in late 1979 the allocation has settled down to some extent. It should be noted that the combined expenditure on trade and non-trade programs has been fairly consistent (from 76 to 82 per cent) from the time of the 1979-80 budget. This consistency is matched by the proportion going to Education Department programs (14-15 per cent from 1980-81), to community based programs (6-7 per cent since 1980-81) and to income maintenance and support programs (1.5 per cent since 1979-80). However, the allocation to community based programs would, had the government been successful in its attempt to disband CYSS in October 1981, have been much reduced from 1981-82 on.

From this it can be concluded that from early 1980 to the present the Government has been content with the range, integration and balance of existing programs, with the probable exception of CYSS. This view was reflected by Kirby (1981: 4.32) when he concluded that 'there would be merit in seeking to improve the manpower programs now in operation rather than seeking to extend their reach'. Apart from the observation that those over 24 years are virtually excluded from assistance, comment on this conclusion must await further analysis.

While some consistency in allocations to various types of programs has emerged in the last three years it is not as long lasting as the policy consistency shown in Table III and Figs. X, XI and XII. They were developed to find out exactly who the direct recipients of program expenditure are. Table III provides a program by program breakdown of expenditure into three categories: the public sector, the private sector (employers), and individuals. Community based programs and Education Department programs are included under the Public Sector category. Fig. X presents the allocations in money terms (1981-82 prices) and the most obvious changes were the cut in Public Sector expenditure from $220.98m. in 1975-76 to $12.94m. in 1976-77 (the abolition of RED) and the striking reduction in Private Sector receipts in the 1979-80 budget (from $158.43m. to $84.81m.) caused by a severe pruning of SYETP.

It is, however, the proportional distributions depicted in Figs. XI and XII which bring out the consistency in the present Government's approach to unemployment and training program expenditure. The Labor Government's preference for public sector based programs is clear with 62 per cent going to public sector recipients and only 19 per cent being allocated to private sector recipients. The first Fraser Government budget clearly reversed these allocations, with the public sector being reduced to 11 per cent and the private sector receiving 66 per cent. From there private sector receipts rose to 70 per cent in 1978-79 and then declined to 54 per cent in 1981-82. Paralleling this proportional decline was an increase in public sector receipts to 29 per cent in 1981-82. However, if Education Department expenditure is extracted (as depicted in Fig. XII) public sector receipts decline to 14 per cent; and if community based recipients (as in CYSS) are also extracted the public sector share is further reduced to 8 per cent.

How is this very persistent predilection for programs based on direct wage and salary subsidies (as in SYETP) for employers and on tax-free rebates (as in CRAFT) to employers to be evaluated? If private sector-based programs led to exactly the same results in terms of employability and employment as public sector programs, the argument would be decided on the grounds of ideological/political preferences. This, however, is not the case.

Programs which are based on providing subsidies and rebates to private sector employers carry with them an inherent potential to discriminate against those most disadvantaged on the labour market. This potential exists because the programs must operate in the context of a segmented and divided labour market: a labour market which discriminates against various groups of workers. This effect is strikingly apparent in the CRAFT program which is primarily designed to 'assist in meeting the demands of industry for skilled tradesmen' and secondly to 'improve the quality and quantity of trade training ... [and to] assist in making trade training more flexible and responsive to market forces' (Macphee, 1982: 3). Thus CRAFT is based on an acceptance of the existing inequalities and imperfections of the labour market. Ninety-four per cent of apprentices in Australia are male with female apprentices being concentrated in the hairdressing and food trades. This means that CRAFT, with 29 per cent of program expenditure in 1981-82 excluded young women by default.

Second, private sector employers quite rationally employ those applicants they see as providing the best return which, other factors being equal, usually means those with the better school results. Thus CRAFT automatically discriminates against those young people who are educationally disadvantaged in a comparative sense. The third form of discrimination evident in CRAFT is geographical. Employers in economically depressed regions and/or industries will not take on new apprentices no matter how attractive the rebates, as is being evidenced by BHP in Newcastle and Wollongong. This means that aspiring apprentices living in depressed regions are discriminated against by the operations of CRAFT. That the discrimination is by default makes it no less a problem.

None of this is meant to imply that the State should not subsidise trade training: if the State pays for the training of doctors, lawyers and engineers why should it not pay for the education of tradespersons? What I am arguing is that so long as trade training programs are prefaced by an acceptance of existing labour market structures and processes, they will discriminate against the already disadvantaged. The objectives of CRAFT should be modified so that its operation is a positive intervention in the distribution of employment opportunities on the grounds of equity. This could be achieved by targeting specific groups (women, blacks, the educationally disadvantaged) for additional assistance (e.g. higher employer rebates).

There is one remaining problem evidenced in CRAFT. It is expected that 1983 will see a minimum reduction of 20 per cent in new apprenticeship indentures and significant laying off of mid-term apprentices. CRAFT rebates are not an effective counter to economic recession. Perhaps the CRAFT objective of making trade training more responsive to market forces is being realised in the short term but its long term effect is a massive shortage of skilled tradespersons. If this is to be avoided there is an immediate need to restructure Trade Training programs and, perhaps, to find a way to utilise idle private sector facilities for training at State expense.

Similar problems are evidenced in SYETP. To take the general problem first, the take up of SYETP subsidies is dependent on the general economic environment. Thus is 1981-82 only $53.7m. of the $65.1m. SYETP allocation was spent. The present Government response to this shortfall was not to address the real issue but to increase the levels of subsidies. In the 1982-83 budget the subsidy for standard 17-week SYETP trainees was

increased from $55 to $75 a week, and the subsidy attracted by the extended 34-week SYETP was increased from $80 to $100 a week for the first seventeen weeks and from $55 to $75 for the second seventeen weeks. Despite these increases and despite a substantial publicity program, the take up of SYETP subsidies ran 30 per cent below target for the first three months of the financial year.

Other problems exist in the operations of SYETP. A departmental evaluation in March 1979 found that 20 per cent of SYETP vacancies were created in response to the scheme, 43 per cent were due to expansion and that 37 per cent replaced workers who had left. A later study in the same year found that 11 per cent of vacancies had been created for SYETP and that 60 per cent 'had been existing positions redirected to the young unemployed eligible for SYETP' (Kirby, 1981: 4.27). A subsequent study on data collected in November 1981 (Stretton, 1982) found that six months after the cessation of subsidisation some 21 per cent of Commonwealth SYETP participants, 40 per cent of standard SYETP participants and 32 per cent of extended SYETP participants had maintained a record of stable full-time employment in one job, either through retention by the SYETP employer or with another employer.

It would therefore appear that SYETP has had a degree of effectiveness in assisting young people with a poor employment record (four of the past twelve months for standard SYETP and eight of the past twelve months being spent as unemployed for extended SYETP). However, this must be combined with the substitution effect reported in the 1979 studies. If the trainees retained by their subsidised employer at the end of the subsidy period are those who had been initially chosen for existing positions redirected to persons eligible for SYETP the overall effect is to recycle unemployment. SYETP trainees become employed at the expense of people ineligible for a subsidy. If some of the trainees retrenched at the end of the subsidy period are so retrenched to enable the employer to take on a new subsidised trainee the recycling effect is even greater.

Hoy and Lampe throw some light on the phenomena of recycling and substitution. The first point they make is that

> ... employment-based programmes providing flat rate subsidies ... for a fixed period and (give) maximum cover for lower paid and high turnover jobs (Hoy and Lampe, 1982: 21).

As a consequence SYETP subsidies are delivered 'to the lower age range within the target groups' (p.21) with some 90 per cent of placements being in the 15-19 age range (p.24); to more young women than men; and to high turnover occupations with some 49 per cent of teenage females assisted under SYETP in 1980-81 being employed in manufacturing and retailing (Hoy and Lampe, 1982: 25). Thus the substitution effect, estimated to be some 60 per cent of SYETP placements with 9 per cent displacing older workers (Hoy and Lampe, 1982: 26), is most likely to take place in low skilled, high turnover, low paid occupations with a concentration of young women employees.

The implications of this analysis are that if SYETP is to be maintained, and it does provide from 2 to 4 per cent of teenage female full-time employment and between one and three per cent of teenage male full-time employment (Hoy and Lampe, 1982: 25), significant modifications are required. First, there is a need to implement more stringent guide-

lines to reduce the substitution effect and to increase the retention of trainees at the end of the subsidy period. Second, there is a need to replace the flat rate subsidy with a subsidy system based on a set percentage of award rates of pay to reduce the concentration of trainees in low paid high turnover low skilled occupations.

Last, if the overall performance of SYETP is to be improved there has to be an imposition of more stringent guidelines relating to the nature of training provided by employers. Stretton (1982: 22) found that 'none of the job-based programs performed significantly better than EPUY in terms of improving the subsequent labour market experience of the non-retained' SYETP type trainees. The reason for this, as mentioned by Stretton and by Hoy and Lampe, is that the training received by SYETP trainees is job specific and thus not easily transferable to other jobs. Thus, if the maximum benefit is to be derived from SYETP there is a need to insist on employers providing an approved general work training program for their trainees. Such training could be developed either by DEIR or TAFE, conducted by training officers attached to TAFE colleges at the expense of DEIR, and conducted in the employers' time in much the same way as apprentices are trained. After all the employers do receive a substantial subsidy.

We are now in a position to return to the question of public sector as opposed to private sector programs. The problems and discriminating factors inherent in CRAFT and SYETP (89 per cent of private sector receipts in 1981-82) have been considered and desirable reforms have been canvassed. Would a public sector jobs creation program perform more equitably and efficiently?

The answer is that it could but that it is not inevitable. Ali et al. (1982), in their evaluation of RED in Wollongong showed that an efficiently operated jobs creation program can provide not only valuable jobs but also much needed facilities and, perhaps surprisingly, a return (both direct and indirect) to the Commonwealth coffers greater than the initial costs. Given this possibility it must be acknowledged that there remain two important problem areas: the question of equity and the question of job permanence.

With regard to equity, it is obvious that public sector jobs creation programs are subject to the same factors of labour market segmentation and division as are private sector based job subsidisation programs. This was evidenced in the RED scheme with under 10 per cent of the created jobs going to women. The question of the diversity of jobs available in public works type programs is also related to equity: it is obvious that the diversity of jobs is greater in the private sector than in public works programs. What can be done to counter these limitations? First, whereas the elements of discrimination in CRAFT and SYETP can only be countered by incentive (additional subsidies, rebates, etc.), public sector programs are open to regulations designed to ensure an equitable distribution of the available jobs. Second, public sector jobs creation programs need not be restricted to public works and infrastructure development and, in the case of such developments, the actual job creation should extend to the administrative and clerical positions.

Public sector jobs creation programs can and should be extended into areas of existing need: an expansion of child care facilities and services, home help for the aged and invalids, tourist and leisure activities and community information. To argue that the unemployed are incapable of

performing such work is to ignore the diversity of the unemployed population and the capacity of 'ordinary' people to assume responsibility if given the chance, as shown by the Brotherhood of St Laurence Family Centre Project (Liffman, 1978).

The question of job permanence again raises the issue what type of job creation: public works, community services or small enterprise development. Public works programs at both the national (bi-centenary road program and water conservation program, Darwin to Alice Springs railway, and public sector housing) and local (roadworks, sewerage, parks, housing) levels do not necessarily provide permanent jobs. They do, however, through the multiplier effect, provide a general stimulus to economic activity and thus create a number of more permanent jobs. Community services type projects tend to less finite in that it is difficult for governments to cut existing services but, for this very reason government tends to shy away from them when considering job creation programs. To counter this reluctance, it must be stressed that such projects are more likely to employ women, and that community controlled programs tend to be more labour intensive than public works programs (Kirby, 1981). The third avenue for job creation lies in the formation of Community Development Corporations, Minority Development projects and Community and Worker Co-operatives (Blakeley, 1982), as well as the provision of Venture Capital for small enterprises. In all cases the emphasis is on the creation of jobs through the support of viable enterprises which integrate community, economic and physical development, and which seek to expand ordinary peoples' control over their working life.

In concluding this section on private and public sector job subsidisation and creation programs, what is required from government, both Commonwealth and State, is a continuation of the private sector programs such as CRAFT and SYETP but a continuation which incorporates the suggestions made in this paper. Second, there has to be a renewed and ongoing commitment to public sector job creation taking three basic forms: public works and housing; community controlled services projects; and community, worker and small enterprise support programs. These proposals would not necessarily abolish unemployment and they would not necessarily provide positive discrimination for all of those disadvantaged on the labour market, but they are a prerequisite for achieving these ends.

A major element of these proposals is that they seek to tackle the problem of unemployment head on by expanding the available pool of jobs and by intervening in the processes of the labour market in the name of equity. This orientation is in contrast to that presently adopted by most unemployment and training programs and especially the education based programs: all of which seek to reduce any mismatch between employer expectations and prospective employee aspirations. In short most of the existing programs tend towards blaming the victim.

The vast bulk of non-trade programs make assumptions as to the adequacy of the individual in terms of motivation, skill or experience and to a lesser extent assumptions about the adequacy of the education system in preparing young people with appropriate work skills and attitudes. These assumptions are evident in SYETP with the department Employment and Industrial Relations Programs 1982-83 (Macphee, 1982: 11) stating that 'a major disadvantage faced by young people ... is a lack of appropriate work skills and previous work experience' and that 'a lack of the personal qualities or formal qualifications required by employers add to their difficulties'. The January 1982 CYSS Guidelines define the program's objectives as being 'to assist ... unemployed young people to

develop their capacity for obtaining and retaining employment and also to become more self-reliant during periods of unemployment'. Again the Volunteer Youth Program is based on a hope of personal development: 'Through voluntary community service it is hoped that the unemployed youth will gain or retain employable skills and benefit from work experience' (Macphee, 1982: 18).

When we turn to the education based programs we find the same preoccupation with young people's failings. EPUY aims at improving the employability of participants by improving their levels of literacy and numeracy; their attitudes towards work and employment; their self-confidence and other negotiable skills (Hubbert, 1980: 10). Transition Education was established to identify students 'at risk' and provide them with a more appropriate education. The very notion of 'at risk students' carries with it a danger of further streaming in schools: a danger which became reality in many NSW school-based Transed courses with the bulk of students being male 'General Activity' kids with nowhere to go in the school system. Transed in NSW combined with a system which cuts special staff loadings for 'General Activity' (G.A.) students at the end of year 9 (form 3) so that it quickly became a convenient way to solve the 'what will we do with the G.A.s?' problem.

When we look to the academic debate on the relationship between education and unemployment we find the same tendency to blame school and individual student. In 1977 Karmel (1977: 12) provided a number of reasons for the labour market shutting out the unskilled young and included among them were:

- low productivity of early school leavers because of inadequate basic education; and
- attitudes of the young towards work.

In his Radford Memorial Lecture in 1979 he repeated these claims (Karmel, 1979: 11). What happened to the Karmel of the 'Golden Age of Karmelot'? In the 'Report of the Interim Committee for the Australian Schools Commission' (the Karmel Report) we find the following statements:

> Schools can build within themselves a community where both education and people are valued, and where the influences of the market place do not dictate the price placed on individual talents (Interim Committee, 1973: 14)

and

> Emphasis has been placed on ... the conditioning of participants to accepts its [change's] consequences rather than on the enhancing and exploiting of the capacitites of committed people to generate their own improvements (Interim Committee, 1973: 126).

Youth unemployment would appear to have suddenly changed the relationship between school and work, with the labour market being given the advantage in its desire to 'dictate the price placed on individual talents', and with employers being given the edge in their attempts to make schooling and students more responsive to the demands of work situations. Those conditions were described in the following terms by the Jackson

Committee on 'Policies for the Development of Manufacturing Industry' (1975: 2):

> Our studies of the human condition in factories indicate serious and deep seated problems. For most of the workforce, the quality of worklife falls drastically short of what people would like. The rising expectations, education and standards of living of most workers contrast starkly with remote and centralised decision making that considers them inanimate 'resources' or 'labour'. Industry is heavily concentrated in major cities. The problems of overcrowding spill over into worklife. Alienation and frustration are evidenced by unrest, absenteeism, high turnover and indifferent quality of product (Ford, 1978).

Is it desirable that schooling in the context of long term youth unemployment be directed toward the goal of producing better attitudes to work, to more closely fit the demands of the employer and the labour market? Hopefully the schools have been successful in facilitating more critical attitudes towards the work environment. Perhaps Transition Education should be concerned with supplementing critical attitudes with an understanding of trade union structures and processes and of ways of working towards less alienating structures and processes of work.

This is not to argue that schools have been and are wonderful places in which to spend time - for students or teachers. It is not to argue that standards of literacy and numeracy are defensible - what happened to critical literacy and Freire's conscientisation. It is not to argue that schools and schooling should maintain their distance from the worlds of work. What it does argue is that schools have for too long been dominated by removed and remote disciplines, by the 'banking concept of learning', and by passive 'learning' under the 'master' as opposed to learning through participation. What it does argue is that standards are poor but that schools have been for too long starved of funds and resources. What it does argue is that Transed courses based on the objective of making the potential worker more compliant, more competitive, will not resolve the unemployment problem faced by 20 per cent of the young.

Moreover, the criticisms of the official objectives and, in a number of cases, the actuality of Transition courses and EPUY courses do not necessarily imply that Transition Education should be abandoned. There are many ways in which both programs can be modified, in which the official objectives and syllabi can be refracted by teachers working in the field to make them more relevant to the needs of students. This has very effectively been achieved in EPUY (Freeland, 1981). Similarly, there are a number of growing points in school-based Transed - work visits and experience, the 'disaggregation' of traditional subject barriers and learning through participation and from life experience. These elements should be developed and combined with other initiatives.

First, the South Australian example should be followed and all secondary school students should be classified as being at risk - who is going to classify students into at risk and not at risk categories in a Wollongong high school? If this is done the growing points of Transed can

be used to modify the whole school curriculum to make it more relevant to students and less frustrating for teachers. For example, sex labelled courses could be 'deconstructed' and replaced by courses for both sexes so that all students would be required to study a life skills course which incorporated technical drawing, home science, metal work, typing, commerce, wood work, etc. There could be a compulsory course on work covering economic history, the history of work (including domestic labour), technology and its impact on paid and unpaid work and the value of all work.[1]

TAFE based Transition Education programs present a strange twist to the 'blame the victim' approach, as is illustrated by Work Skills courses in New South Wales. The CES guidelines for selecting participants (15-19 year-olds) specify the following factors: unemployed young people who left school before June 30, the previous year; unemployed young people who left full-time schooling after June 30 the previous year. They also stress equal treatment for young women and, where there is an excess of suitable candidates, preference for those with the longest experience of unemployment. The 1981 TAFE selection guidelines tended to negate this objective:

> ...in general the usual principle of selection of students to TAFE courses (i.e. select those applicants who are most likely to be successful students) does not apply. On the contrary, the courses need to be adapted to the needs of less than optimal students ... [However] it is unclear whether or not the program is intended to help those who are at greatest risk of remaining unemployed. The latter group typically have serious social, education or medical proglems and are not likely to be successful candidates.

Transition courses run by TAFE are not open to the criticism of streaming in that they are voluntary on the part of students and it is desirable that those already disadvantaged on the labour market be given the opportunity to participate in courses designed to provide work and life related skills. It is therefore unfortunate, no matter how understandable from the perspective of TAFE teachers never trained to teach Transition courses, that programs designed to assist the most disadvantaged fail to do so.

The same phenomenon is evidenced in the operation of Pre-Apprenticeship courses in NSW. Seen by most as an alternative way into a trade for those unsuccessful in their attempts on leaving school, these courses in fact have a higher entrance requirement than most trades. Applicants must have a School Certificate with at least a grade 4 pass in English and in Maths and a pass in Science, be under 20 years, and be prepared to seek an apprenticeship. Due to the pressure of applicants (five for every position) entrance standards are pushed higher despite the fact that most NSW apprenticeships have no formal educational requirements. In 1979-80, 11 per cent of new indentures held less than the school certificate, while the percentage was 22 for Hairdressing and 17 in the food trades. Thus the Pre-Apprenticeship entry requirements discriminate, to a greater degree than normal apprenticeships, against the early school leaver and particularly

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1 I would like to acknowledge the source of these specific ideas: a workshop on the implications for schooling of employment, held at a Schools Commission National Seminar in Canberra on the Education of Girls, in October 1982.

against the female early school leaver. At this point it must be acknowledged that NSW TAFE is expanding its Introduction to Trades Courses and that it is paying special attention to special Introduction courses for girls.

TAFE programs are also illustrative of the difficulties involved in securing an equitable geographical distribution of programs. The location of TAFE Transition courses is dependent on the prior existence of TAFE colleges and secondly on the availability of appropriate staff to take the courses. These factors frequently bear no relationship to the regional distribution of unemployment. As previously mentioned, these factors are compounded by the vagaries of the submission model of program funding as evidenced by CYSS and NSW school-based Transition courses, and by the impact of regional economic factors on employer subsidisation schemes such as CRAFT and SYETP. The impact of these factors is that those unemployed living in economically depressed regions and/or in areas lacking a full range of educational and governmental facilities are the ones who are simultaneously most in need of program assistance and the ones most unlikely to receive such assistance. This is clearly evident in NSW where CYSS operates in over 20 towns which have no other provision for the unemployed (CES and TAFE included). In November 1980 there were 793 unemployed youth in Narrabri while the total provision for them was restricted to one Pre-Apprenticeship course (no CES, no CYSS, no EPUY, no TAFE college, no Youth Counselling). By way of comparison, North Sydney, with only 300 unemployed juniors in November 1980, was serviced by a TAFE college with its full range of courses, CES, CYSS, EPUY and Youth Counselling. Since then there have been moves in New South Wales to provide a more equitable distribution of programs based on unpublished CES statistics.

Conclusion

From the foregoing analysis what can be said about the presently existing provision of unemployment and training programs?

The first evaluative criterion developed was that programs should improve the employment prospects of participants and preferably do so by reducing the overall level of unemployment. Evaluations of specific programs and more general evaluations of, for example, programs for unemployed youth have found that the employment prospects of participants are improved but analysis indicates that this is at the expense of other people (the substitution and recycling effects). While not as desirable as reducing the overall incidence of unemployment, it must be acknowledged that substitution and recycling may be desirable to the extent that the development of a core of long term unemployed persons is slowed.

This immediately raises the second evaluative criterion: that programs should ensure comprehensive coverage for all the unemployed with particular attention for those groups disadvantaged by the labour market. Analysis has shown that virtually half the unemployed (those over 24 years) are all but excluded from any program assistance (this is slowly changing); that women are virtually excluded from trade training programs (30 per cent of expenditure); that where women are well represented (SYETP and TAFE Transed) they are concentrated in low paid low skill and stereotypically female work and courses; that nearly all programs systematically discriminate against those most disadvantaged on the labour market (for

reasons of sex, race, education, places of living) because they are generally prefaced on an acceptance of the segmented and divided labour market. The only conclusion that can be drawn is that the existing programs do not provide comprehensive coverage and do not effectively discriminate in favour of the disadvantaged.

Part of the reason for this is that the programs are not sufficiently planned (both individually and as an integrated package) at a national level with regard to the distribution of unemployment and regional labour market conditions. All too frequently programs have been subjected to sudden changes in objectives and guidelines and erratic funding provision. In its short but turbulent history CYSS has operated under four sets of guidelines, been subject to one concerted attempt to disband it, and still operates under a funding formula which has no stated rationale and bears no relationship to variable costs of running CYSS centres in different areas. Next, there is no established mechanism to involve local and regional communities in the planning, integration, implementation and evaluation of programs. Frequently there is competition for participant heads rather than co-operation between programs in the one region. Last, CES does not have adequate staffing and staff training to enable it to effectively interview and counsel the unemployed about the available programs. As a consequence, many people end up in programs unsuited to their needs.

The second major cause of program discrimination against the disadvantaged lies in the insufficient categorisation of target populations and, consequently, the inadequate provision of variable incentive subsidies in programs such as CRAFT and SYETP. Until specific populations are targeted within the broader program target populations and until special provision is made for those sub-groups the discrimination against the disadvantaged will continue.

Moreover, the discrimination will continue until the Government abandons its policy of explicitly or implicitly endorsing existing labour market structures. There has to be a policy of direct intervention in the labour market to counter existing discriminatory practices. Similarly, there has to be a willingness to intervene with the objective being an expansion in the aggregate jobs pool through an expansion of public works, public sector housing, community based service provision and community based small enterprise financial assistance. In all instances there must be a commitment to securing positive discrimination for the most disadvantaged.

Last, a comment on expenditure. If program expenditure per person unemployed is a reasonable guide to the Government's commitment to the unemployed, and I believe it is despite the qualifications previously discussed, the present Government has to be found wanting. In 1977-78 expenditure on Unemployment Benefit and programs amount to 0.14 per cent of GDP whereas Canada allocated 0.58 per cent in the same year; the USA allocated 0.57 per cent in 1975-76; and Sweden's percentage was 2.29 in 1976-77. Comparison with the Labor Government leaves the present Government in an equally poor light. In terms of 1982-83 prices the Labor Government spent $1,355.11 per unemployed person on unemployment and training programs. Assuming an average monthly unemployment of 650,000 (probably an underestimate) for 1982-83, the present Government would have to spend $880.82m. on unemployment and training programs to maintain parity with 1975-76. The 1982-83 budget allocation was $290.32m. and the pay freeze has resulted

in an additional $204m. being allocated for various job creation programs and experimental community projects. The combined total is $494.32m. and much of the $204m. will not be spent this financial year - the expenditure is planned to run until June 30, 1984. Even if it were spent this financial year, the total would be $396.50m below the 1975-76 parity level.

When seen in this light, people working in programs for the unemployed should not beat their breasts over the fact that they are not being as successful as they would like.

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TABLES AND DIAGRAMS

GENERAL NOTES FOR TABLES

1. Sources for all Tables are the Budget Paper No. 1, 1979-80; 1980-81; 1981-82; and 1982-83;

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2. 1981-82 and 1982-83 were derived by applying Public Expenditure Deflators. Expenditure for each year is divided by that year's deflator:

For 1981-82	Prices	For 1982-83	Prices
1981-82	1.000	1982-83	1.000
1980-81	0.901	1981-82	0.900
1979-80	0.799	1980-81	0.807
1978-79	0.728	1979-80	0.719
1977-78	0.685	1978-79	0.658
1976-77	0.636	1877-78	0.619
1975-76	0.572	1976-77	0.570
		1975-76	0.508

3. In all Tables the budget allocations for Assistance for Youth Organisations and International Youth Exchanges (and Greek Presidential Awards in 1982-83) are excluded from calculations on the ground that they have nothing to do with the provision of unemployment and training programmes.

COMMONWEALTH EXPENDITURE ON UNEMPLOYMENT AND TRAINING PROGRAMS $ 1975-76 TO 1982-83

PROGRAM	1975-76 $m	1976-77 $m	1977-78 $m	1978-79 $m	1979-80 $m	1980-81 $m	1981-82 $m	1982-83 $m estimate
Job Creation Program								
Regional Employment Dev't (RED)	123.40	0.46	-	-	-	-	-	-
Trade Training Programme								
National Apprentice Assist Scheme	34.90	39.50	7.20	0.30	-	-	-	-
CRAFT	-	0.02	15.82	24.43	42.70	64.45	78.75	84.00
Special Apprentice Training	?	?	2.60	3.70	3.10	3.60	3.36	5.00
Additional Apprentices in Gov't	-	4.20	5.20	4.20	1.08	0.12	-	-
TOTAL TRADE TRAINING	34.90+	43.72+	30.82	32.63	46.88	68.17	82.10	89.00
Skills Training Program								
Skills Training	x NEAT	x NEAT	14.50	15.90	10.20	11.94	11.76	15.60
Industry Training Services	0.58	0.59	0.89	1.17	2.01	3.00	4.50	5.40
TOTAL SKILLS TRAINING	0.59+	0.59+	15.39	17.07	12.21	14.94	16.26	21.00
Youth Training Program								
School-to-Work Transition Allowance	-	-	2.00	2.30	3.00	4.70	8.42	11.00
Pre-Apprentice Allowance	x NEAT	x NEAT	1.51	1.15	1.15	1.58	1.15	1.20
SYETP: Assistance to Work Experience	-	6.60	52.91	82.64	24.16	41.26	53.70	73.80
TOTAL YOUTH TRAINING	?	6.60+	56.42	86.09	28.31	47.54	63.3	86.00
Special Training Program								
Training for Aboriginals	x NEAT	x NEAT	13.00	13.40	11.00	13.93	19.04	21.67
Training for the Disabled	x NEAT	x NEAT	1.20	1.40	1.00	2.72	6.47	7.30
TOTAL SPECIAL TRAINING	?	?	14.20	14.80	12.00	16.65	25.51	28.97
Employment Services								
Relocation Assistance Scheme	-	0.29	0.70	1.14	1.05	1.27	1.60	2.00
Fares Assistance Scheme	0.24	0.35	0.06	0.11	0.22	0.30	0.26	0.35
Ex-Service Persons' Vocational Assist	-	-	0.01	0.12	0.22	0.29	0.20	0.15
Occupational Information	-	-	-	0.38	0.56	1.62	1.12	1.30 + 1.40
TOTAL EMPLOYMENT SERVICES	0.24	0.64	0.77	1.75	2.05	3.48	3.26	5.20
Youth Affairs Assistance								
Community Based Youth Schemes (CYSS, etc.) TOTAL	-	0.57	5.74	10.71	11.71	14.16	14.94	18.52
Extra NEAT (Neat less EPUY & SYETP)	40.20	25.00	-	-	-	-	-	-
Structural Adjustment Assistance Scheme	8.30	0.09	-	-	-	-	-	-
TOTAL DEVA EXPENDITURE	207.62	77.67	123.34	163.05	113.16	164.94	205.41	248.69
Department of Education Program								
Educ. Programme for Unemp.Youth	-	-	1.50	3.10	3.71	4.00)		
School-to-Work Transition Program	-	-	-	-	4.50	23.40)	34.30	43.30
TOTAL EDUCATION DEPARTMENT	-	-	1.50	3.10	8.21	27.40	34.30	43.30
TOTAL COMMONWEALTH EXPENDITURE	207.62	77.67	124.84	166.15	121.37	192.34	239.71	291.99
TOTAL IN 1981-82 PRICES	362.97	122.12	182.25	228.23	151.90	213.47	239.71	
% CHANGE FROM 1975-76		-65.36	-49.79	-37.12	-58.16	-41.19	-33.96	

TABLE II

PROPORTIONAL ALLOCATION OF UNEMPLOYMENT AND TRAINING EXPENDITURE : 1975-76 TO 1882-83

PROGRAM	1975-76 $m*	%	1976-77 $m*	%	1977-78 $m*	%	1978-79 $m*	%	1979-80 $m*	%	1980-81 $m*	%	1981-82 $m*	%	1982-83 $m* estimates	%
TOTAL D.E.Y.A. AND D.ED. EXPENDITURE	362.97		122.12		182.25		228.23		151.90		213.47		239.71		291.99	
JOB CREATION	215.73	59.43	0.72	0.59	-	-	-	-	-	-	-	-	-	-	-	-
TRADE TRAINING	61.01	16.81	68.74	56.29	44.99	24.69	44.82	19.64	58.67	38.64	75.66	35.44	82.10	34.25	89.00	30.48
SKILLS TRAINING	1.01	0.28	0.93	0.76	22.47	12.33	23.45	10.27	15.28	10.06	16.58	7.77	16.20	6.80	21.00	7.19
YOUTH TRAINING	-	-	10.38	8.50	82.36	45.19	118.26	51.82	35.43	23.32	52.76	24.72	63.30	26.41	86.00	29.45
SPECIAL TRAINING	-	-	-	-	20.73	11.37	20.33	8.91	15.02	9.89	18.48	8.66	25.51	10.64	28.97	9.92
EMPLOYMENT SERVICES	0.42	0.12	1.01	0.83	1.12	0.61	2.40	1.05	2.57	1.69	3.86	1.81	3.26	1.36	5.20	1.78
YOUTH AFFAIRS ASSISTANCE	-	-	0.09	0.74	8.38	4.60	14.71	6.45	14.66	9.65	15.72	7.36	14.96	6.23	18.52	6.34
EXTRA NEAT	70.28	19.36	39.31	32.19	-	-	-	-	-	-	-	-	-	-	-	-
STRUCTURAL ADJUSTMENT	14.51	4.00	0.14	0.11	-	-	-	-	-	-	-	-	-	-	-	-
EDUCATION DEPARTMENT	-	-	-	-	2.19	1.20	4.26	1.87	10.28	6.77	30.41	14.25	34.30	14.31	43.30	14.83
TOTAL	362.97	100.00	122.12	100.01	182.25	99.9	228.23	100.01	151.90	100.00	213.47	100.01	239.71	100.00	291.99	100.00
NAAS/CRAFT	61.01	16.81	62.14	50.88	33.61	18.44	33.97	14.88	53.44	35.18	71.53	33.51	78.70	32.83	84.00	28.77
SYETP	-	-	10.38	8.50	77.24	42.38	113.52	49.74	30.24	19.91	45.79	21.45	53.70	22.60	73.80	25.27
SCHOOL-TO-WORK	-	-	-	-	-	-	-	-	5.63	3.71	25.97	12.17	34.30	14.31	43.30	14.83

*All expenditures except for 1982-83 are expressed in 1981-82 prices. 1982-83 Budget estimates are expressed in current prices.

TABLE III

DISTRIBUTION OF EXPENDITURE BY RECIPIENT: 1975-6 TO 1982-3

RECIPIENT	1975-76 $M	1976-77 $M	1977-78 $M	1978-79 $M	1979-80 $M	1980-81 $M	1981-82 $M	1982-3 $M
PRIVATE SECTOR								
N.A.A.S. / CRAFT	34.9	39.5	23.02	25.6	39.4	60.3	74.1	78.0
Special Apprentice Assistance	1.1	1.3	1.7	1.5	1.7	1.2	0.8	1.2
Support of Group Apprenticeship	-	-	-	-	-	-	0.2	0.7
SYETP (Standard & Extended)	-	6.6	52.91	82.64	21.0	33.2	44.0	61.7
Industry Training Services	0.58	0.59	0.89	1.17	2.0	3.0	4.5	5.4
* 33.3% Training for Aboriginals	3.0	3.0	4.3	4.43	3.66	4.64	6.35	7.13
Skills in Demand	-	-	-	-	-	0.5	2.5	7.0
TOTAL PRIVATE SECTOR RECEIPTS	39.58	51.01	82.82	115.34	67.76	102.84	132.45	154.13
TOTAL IN 1981-2 PRICES	69.2	80.2	120,91	158,43	84,81	114,14	132,45	
PERCENT OF TOTAL EXPENDITURE	19.06	65.67	66,34	69,42	55.83	53.47	55,25	53,09
PUBLIC SECTOR								
RED	123.4	0.46	-	-	-	-	-	-
Public Sector Trade Training	?	4.2	2.6	7.3	2.5	2.4	2.4	3.1
C'wealth SYEPT	-	-	-	-	3.2	8.1	9.7	12.1
* 33.3% Training for Aboriginals	3.0	3.0	4.3	4.43	3.66	4.64	6.35	7.13
CYSS & VYP	-	0.57	5.74	10.71	11.71	14.16	14.94	18.52
Transition Educ. & EPUY	-	-	1.5	3.1	8.21	27.4	34.3	43.3
TOTAL PUBLIC SECTOR RECEIPTS	126.4	8.23	13.14	25.54	29.28	56.7	67.69	84.15
TOTAL IN 1981-2 PRICES	220.98	12,94	19,18	35,08	36,65	62,93	67,69	
PERCENT OF TOTAL EXPENDITURE	62,33	10,6	10,52	15,37	24,13	29,48	28,24	28,99
INDIVIDUALS								
CRAFT Allowances	-	-	3.0(?)	3.1	3.3	4.2	4.6	6.0
Skills Training Allowances	-	-	-	-	10.2	11.5	9.3	8.6
Pre-Apprenticeship Allowances	?	?	1.51	1.15	1.1	1.6	1.2	1.2
TAFE Courses	-	-	-	-	-	-	-	1.0
Transition Educ Allowances	-	-	2.0	2.3	3.0	4.7	8.4	10.0
** 10% Training for Aboriginals	?	?	1.3	1.34	1.1	1.4	1.9	2.5
** 40% Training for the Disabled	?	?	0.48	0.56	0.4	1.02	2.59	2.9
Relocation Assistance	-	0.29	0.7	1.14	1.05	1.27	1.6	2.0
Fares Assistance	0.24	0.35	0.06	0.11	0.22	0.3	0.26	0.35
Former Service-members Assist	-	-	0.01	0.12	0.22	0.29	0.19	0.15
Structural Adjustment Assistance	8.3	0.09	-	-	-	-	-	-
TOTAL INDIVIDUALS' RECEIPTS	8.54	0.73	9.06	9.82	20.59	26.34	30.04	34.7
TOTAL IN 1981-2 PRICES	14,93	1,15	13,23	13,49	25,77	29,23	30,04	
PERCENT OF TOTAL EXPENDITURE	4,11	0,94	7,26	5,91	16,97	13,69	12,53	11,95
***UNACCOUNTED FOR								
IN 1981-2 PRICES	57,86	27,83	28,93	21,23	4,67	7,17	9,53	
PERCENT OF TOTAL EXPENDITURE	14,5	22,79	15,88	9,3	3,07	3,36	3,98	5,97

* 33.3% is purely a guesstimate.

** The 10% and 40% are based on the proportion of the total allocations for Training for Aboriginals and the Disabled which went to training allowances in the 1982-3 Budget.

*** Unaccounted expenditure includes undifferentiated NEAT allocations: 23.4% of Training for Aboriginals and 60% of the Training for the Disabled allocations.

Table IV

ALLOCATION OF COMMONWEALTH EXPENDITURE ON UNEMPLOYMENT AND TRAINING PROGRAMS TO YOUTH (15 TO 24 YEAR OLDS); TO THE HANDICAPPED AND ABORIGINES; AND TO OVER 24 YEAR OLDS; 1975-76 TO 1981-82.

	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82
TOTAL DEIR AND EDUCATION DEPARTMENT EXPENDITURE (current prices)	207.62	77.67	124.84	166.15	121.37	192.34	239.71
PROGRAM EXPENDITURE ALLOCATED TO 15-24 YEAR OLDS							
TRADE TRAINING PROGRAM (less Special Trade Training Programme)	34.90	43.72	30.82	32.63	46.88	67.37	81.39
YOUTH TRAINING PROGRAM	-	6.60	56.42	86.09	28.31	47.54	63.30
YOUTH AFFAIRS ASSISTANCE (CYSS, VYP and CYSP)	-	0.57	5.74	10.71	11.71	14.16	14.94
EDUCATION DEPARTMENT PROGRAM	-	-	1.50	3.10	8.21	27.40	34.30
MINIMUM AMOUNT ALLOCATED TO YOUTH: Current prices	34.90	50.89	94.48	132.53	95.11	156.47	193.93
MINIMUM AMOUNT ALLOCATED TO YOUTH: 1981-82 prices	61.01	80.02	137.93	182.05	119.04	173.66	193.93
50 PER CENT OF SKILLS TRANING PROGRAM	0.30	0.30	7.70	8.54	6.11	7.47	8.13
ONE THIRD OF EMPLOYMENT SERVICES	0.08	0.21	0.29	0.58	0.68	1.16	1.09
ONE THIRD OF EXTRA NEAT	13.40	8.33	-	-	-	-	-
ONE THIRD OF RED	41.13	0.15	-	-	-	-	-
HIGHER ESTIMATE OF AMOUNT ALLOCATED TO YOUTH: Current prices	89.81	59.88	102.47	141.65	101.90	165.1	203.15
HIGHER ESTIMATE OF AMOUNT ALLOCATED TO YOUTH: 1981-82 prices	157.01	94.15	149.59	194.57	127.53	183.24	203.15
PER CENT OF TOTAL EXPENDITURE ALLOCATED TO YOUTH:							
MINIMUM PERCENTAGE	16.81	65.52	75.68	79.77	78.36	81.35	80.91
HIGHER ESTIMATED PERCENTAGE	43.26	77.10	82.08	82.25	83.96	85.84	84.75
PERCENTAGE OF TOTAL EXPENDITURE ALLOCATED TO THE SPECIAL TRAINING PROGRAMME	?	?	11.37	8.91	9.89	8.66	10.64
PER CENT OF TOTAL EXPENDITURE SPENT ON OVER 24 YEAR OLDS:							
MAXIMUM PERCENTAGE	?	?	12.95	11.32	11.75	9.99	8.45
LOWER ESTIMATED PERCENTAGE	?	?	6.55	5.84	6.15	5.50	4.61

TABLE V

COMMONWEALTH EXPENDITURE PER PERSON UNEMPLOYED ON DEIR AND EDUCATION DEPARTMENT PROGRAMS AND ON UNEMPLOYMENT BENEFITS AND PROGRAM EXPENDITURES REQUIRED TO MAINTAIN PARITY WITH 1975-76 LEVELS OF EXPENDITURE; AND SHORTFALL BETWEEN PARITY LEVELS AND ACTUAL EXPENDITURE: 1975-76 TO 1981-82

	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82
I NUMBER UNEMPLOYED: ANNUAL AVERAGE (ABS) ('000)	301.6	325.1	394.6	405.4	403.9	392.9	419.7
II DEIR AND EDUCATION DEPARTMENT EXPENDITURE ON UNEMPLOYMENT AND TRAINING PROGRAM (1981-82 prices; $m)	362.97	122.12	182.25	228.23	151.90	213.47	239.71
III EXPENDITURE ON UNEMPLOYMENT BENEFITS (1981-82 prices; $m)	898.46	971.81	1159.27	1250.00	1157.95	1105.16	1090.00
IV TOTAL EXPENDITURE: II PLUS III (1981-82 prices; $m)	1261.43	1093.93	1341.52	1478.23	1309.85	1318.63	1329.71
V PROGRAM EXPENDITURE PER UNEMPLOYED PERSON: II divided by I (1981-82 prices; $)	1203.5	375.6	461.9	563.0	376.08	543.32	571.15
VI TOTAL U.B. AND PROGRAM EXPENDITURE PER UNEMPLOYED PERSON: IV divided by I (1981-82 prices; $)	4182.46	3364.9	3399.7	3646.53	3243.01	3356.15	3168.24
VII EXPENDITURE ON DEIR AND EDUCATION DEPARTMENT PROGRAMS REQUIRED TO MAINTAIN 1975-76 LEVELS PER PERSON UNEMPLOYED: I multiplied by 1.2035 (1981-82 prices; $m)	362.97	391.26	473.66	487.90	486.09	472.86	505.11
VIII SHORTFALL FROM 1975-76 PARITY PROGRAM EXPENDITURE VII-II (1981-82 prices; $m)	-	269.14	291.41	259.67	334.19	259.39	265.4
IX EXPENDITURE ON U.B. AND PROGRAMS REQUIRED TO MAINTAIN 1975-76 LEVELS PER PERSON UNEMPLOYED: I multiplied by 4.18246 (1981-82 prices; $m)	1261.43	1359.72	1650.40	1695.57	1689.3	1643.29	1755.38
X SHORTFALL FROM 1975-76 PARITY U.B. AND PROGRAM EXPENDITURE: IX-IV (1981-82 prices; $M)	-	265.79	308.88	217.34	379.45	324.66	425.67

HISTORICAL DEVELOPMENT OF COMMONWEALTH UNEMPLOYMENT AND TRAINING PROGRAMS 1972-82

FIGURE I

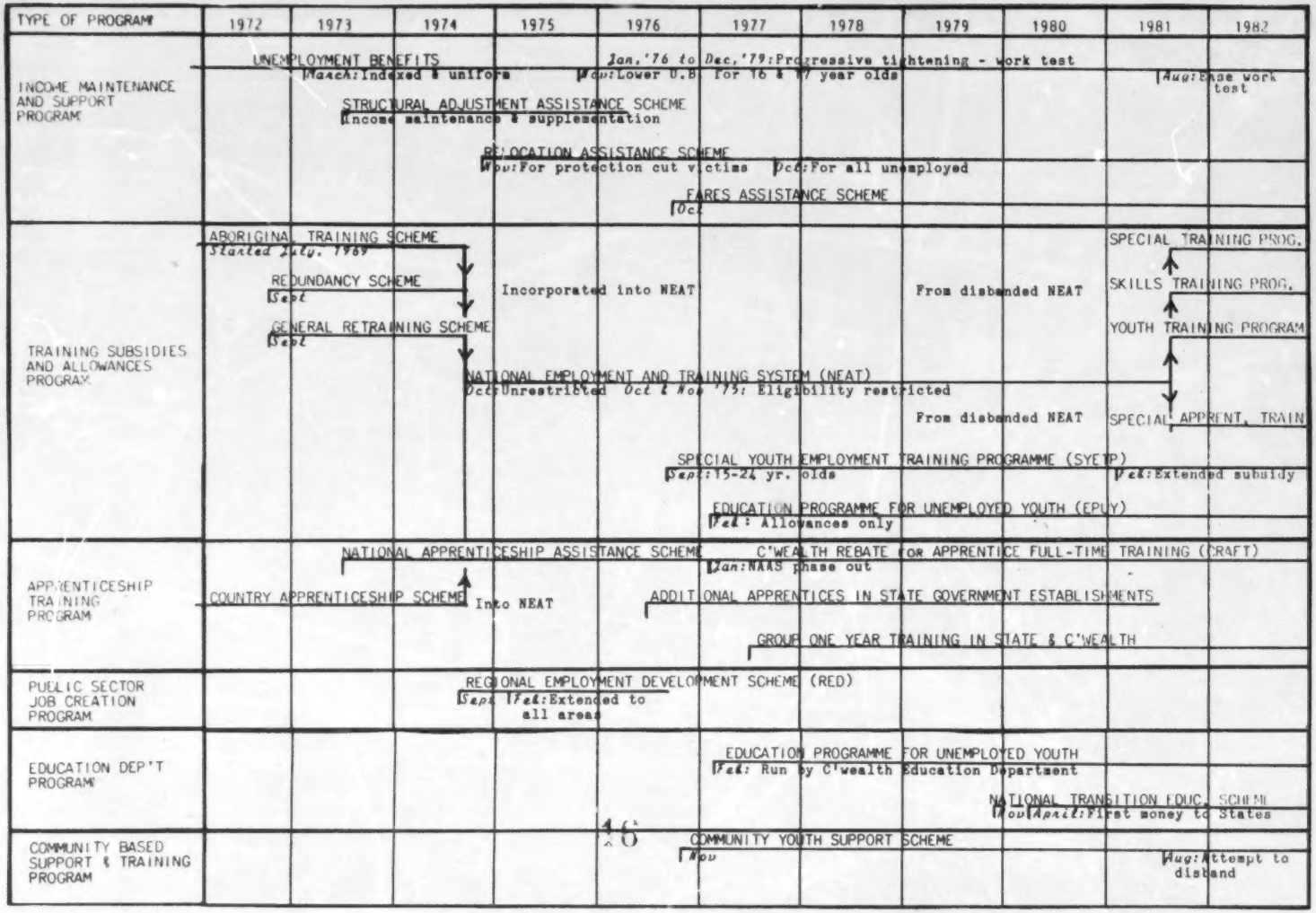


FIGURE II

COMMONWEALTH (DEIR & EDUC. DEP'T) EXPENDITURE (1981-81 PRICES) ON UNEMPLOYMENT AND TRAINING PROGRAM AND UNEMPLOYMENT RATES (A.B.S.) FOR ALL PERSONS AND JUNIORS: 1975-76 TO 1981-81

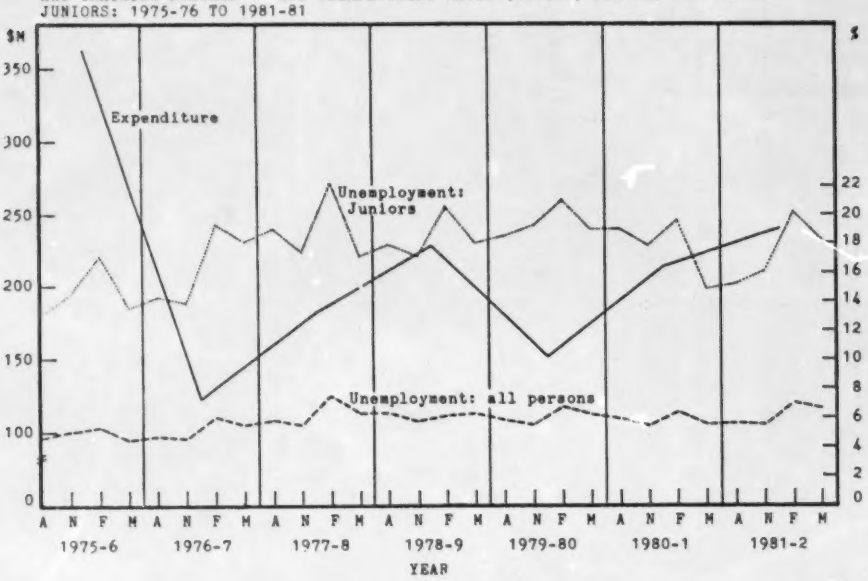


FIGURE III

COMMONWEALTH EXPENDITURE (DEIR & EDUC DEP'T; 1981-82 PRICES) ON UNEMPLOYMENT AND TRAINING PROGRAM AND UNEMPLOYED PERSONS (ANNUAL AVERAGES; A.B.S.): 1975-76 TO 1981-82

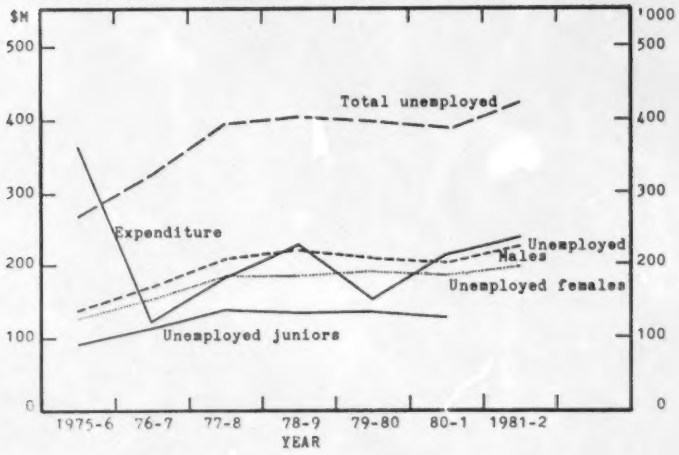


FIGURE IV

UNEMPLOYMENT RATE (A.B.S.) AND EXPENDITURE PER PERSON UNEMPLOYED ON UNEMPLOYMENT AND TRAINING PROGRAMS 1975-76 TO 1981-82

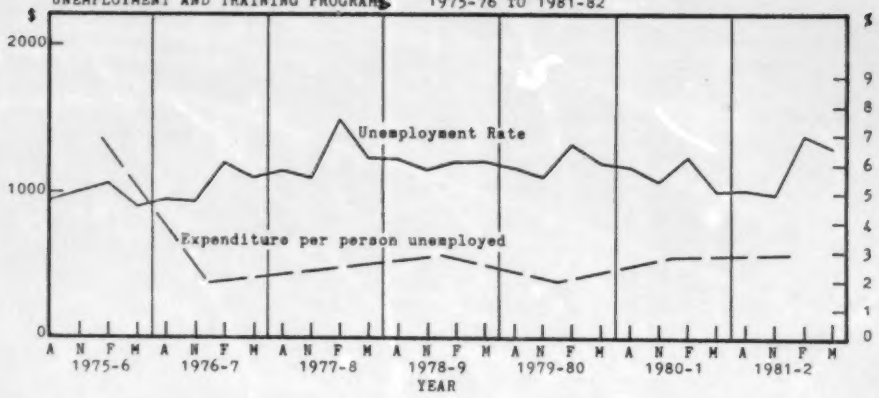


FIGURE V

NUMBER UNEMPLOYED (ANNUAL AVERAGES; A.B.S.), PROGRAM EXPENDITURE (DEIR & EDUC DEP'T) PER PERSON UNEMPLOYED AND UNEMPLOYMENT BENEFIT PLUS PROGRAM EXPENDITURE PER PERSON UNEMPLOYED: 1975-76 TO 1981-82

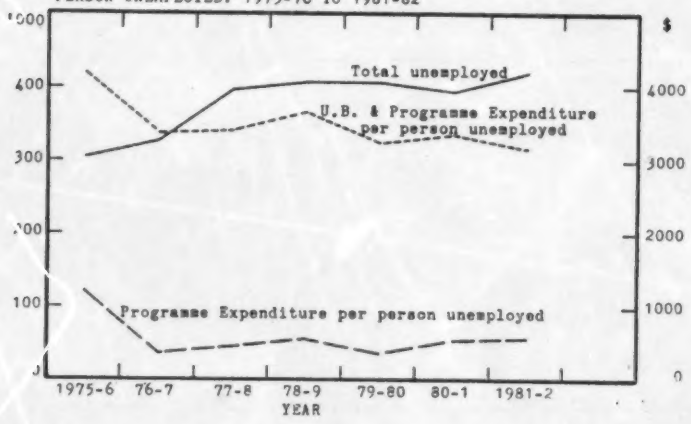


FIGURE VI

SHORTFALL BETWEEN ACTUAL COMMONWEALTH EXPENDITURE (1981-82 PRICES) ON PROGRAMS AND ON UNEMPLOYMENT BENEFITS PLUS PROGRAMS AND AMOUNTS REQUIRED TO MAINTAIN 1975-76 LEVELS PER PERSON UNEMPLOYED

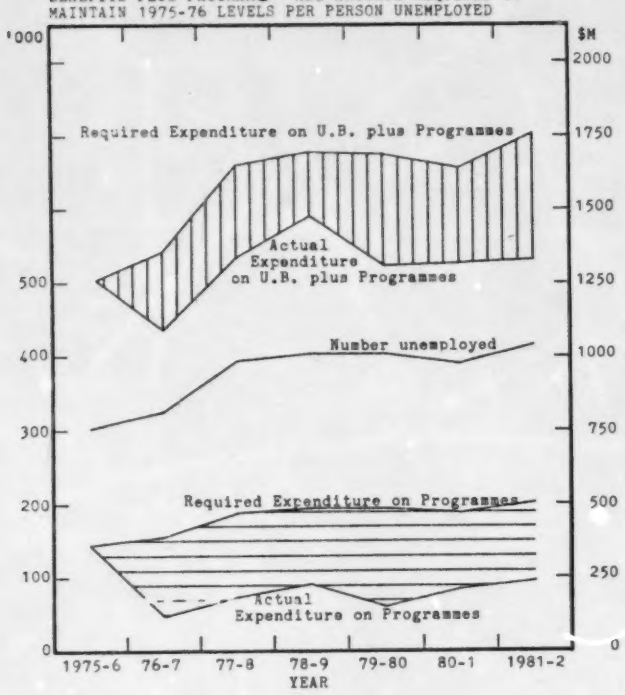


FIGURE VII

UNEMPLOYMENT RATE FOR JUNIORS (15-19 YEARS) AND EXPENDITURE ON PROGRAM' FOR YOUTH (15-24 YEARS; MINIMUM AND HIGHER ESTIMATES: 1975-76 TO 1981-82

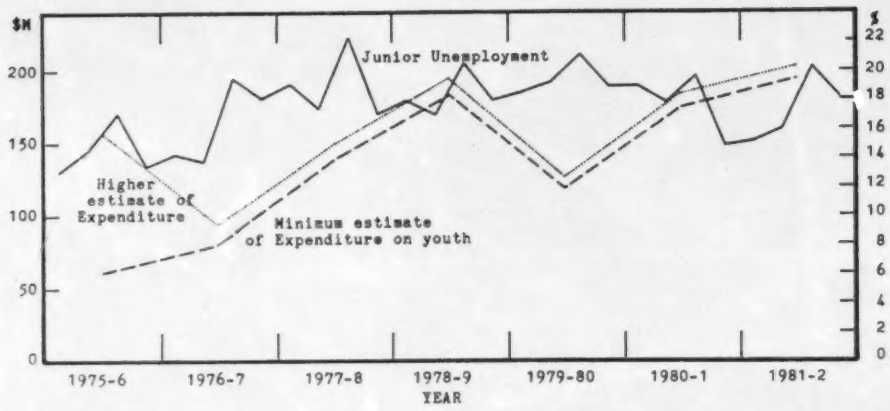


FIGURE XIII

PERCENTAGES (MINIMUM & HIGHER ESTIMATES) OF COMMONWEALTH EXPENDITURE ON UNEMPLOYMENT AND TRAINING PROGRAMS ALLOCATED TO PERSONS UNDER 24 YEARS: 1975-76 TO 1981-82

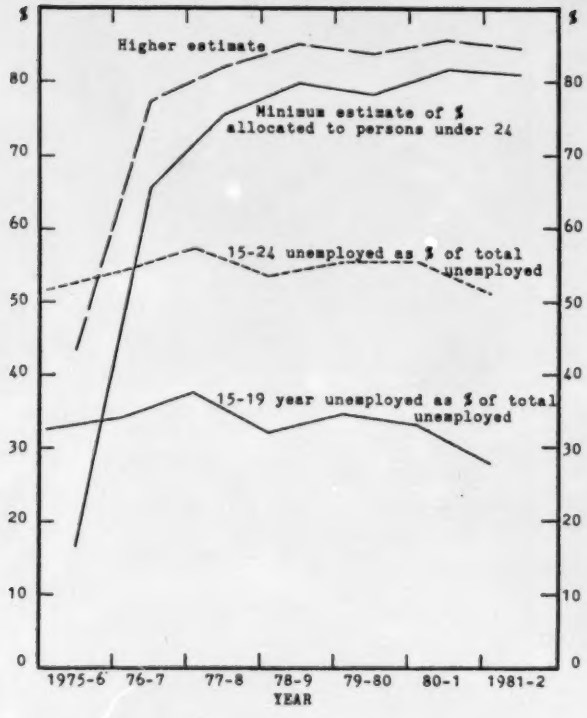


FIGURE IX

PROPORTIONAL DISTRIBUTION OF COMMONWEALTH EXPENDITURE ON UNEMPLOYMENT AND TRAINING PROGRAMS BY TYPE OF PROGRAMS 1975-6 TO 1981-2

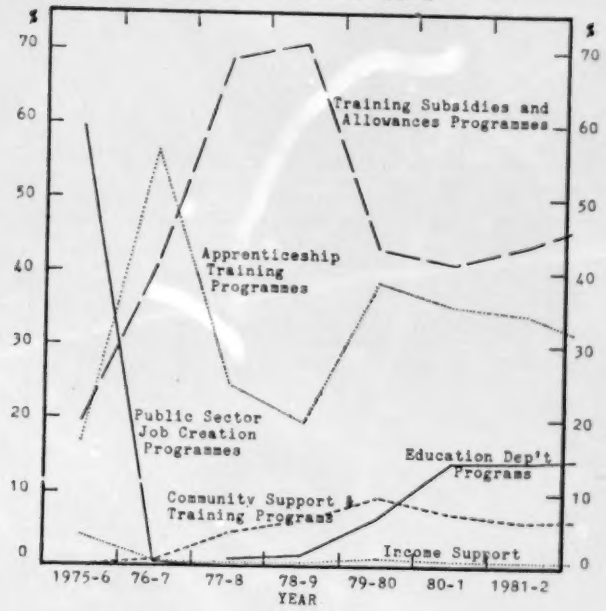


FIGURE X

COMMONWEALTH EXPENDITURE (1981-82 PRICES) ON UNEMPLOYMENT AND TRAINING PROGRAMS BY RECIPIENT: 1975-76 TO 1981-82

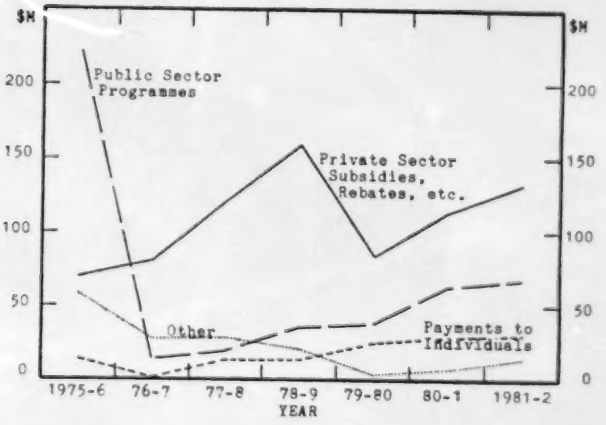


FIGURE XI

PROPORTIONAL DISTRIBUTION OF COMMONWEALTH EXPENDITURE ON UNEMPLOYMENT AND TRAINING PROGRAMS BY RECIPIENT: 1975-76 TO 1981-82

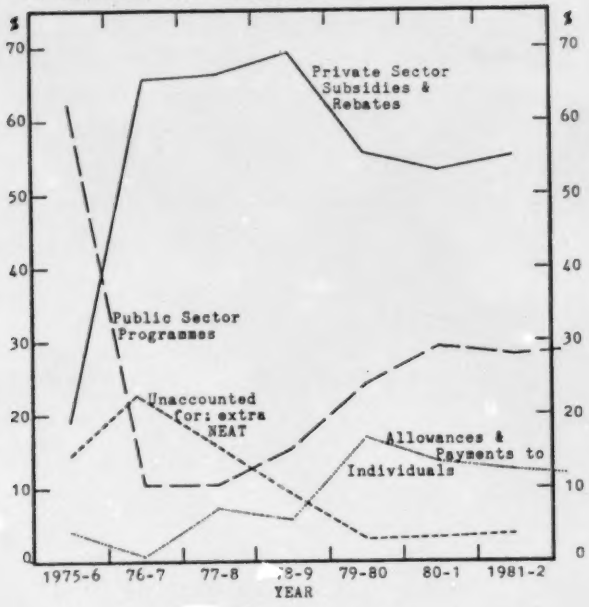


FIGURE XII

PROPORTIONAL DISTRIBUTION OF DEPARTMENT OF EMPLOYMENT & INDUSTRIAL RELATIONS EXPENDITURE ON UNEMPLOYMENT AND TRAINING PROGRAMS BY RECIPIENT: 1975-76 TO 1981-82

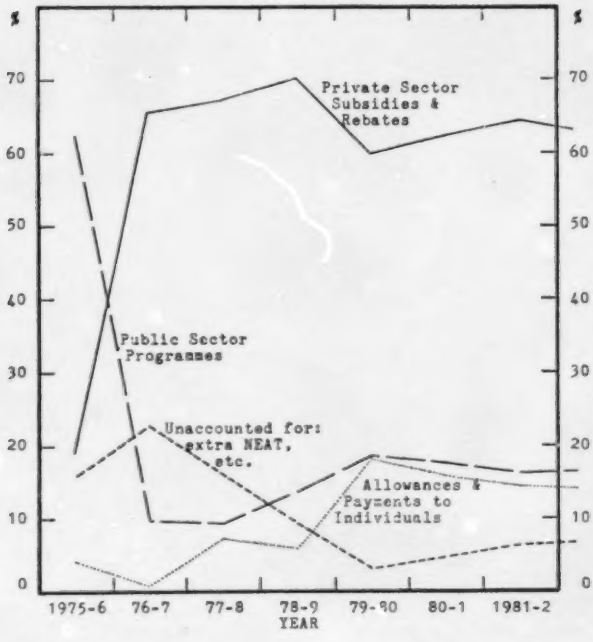
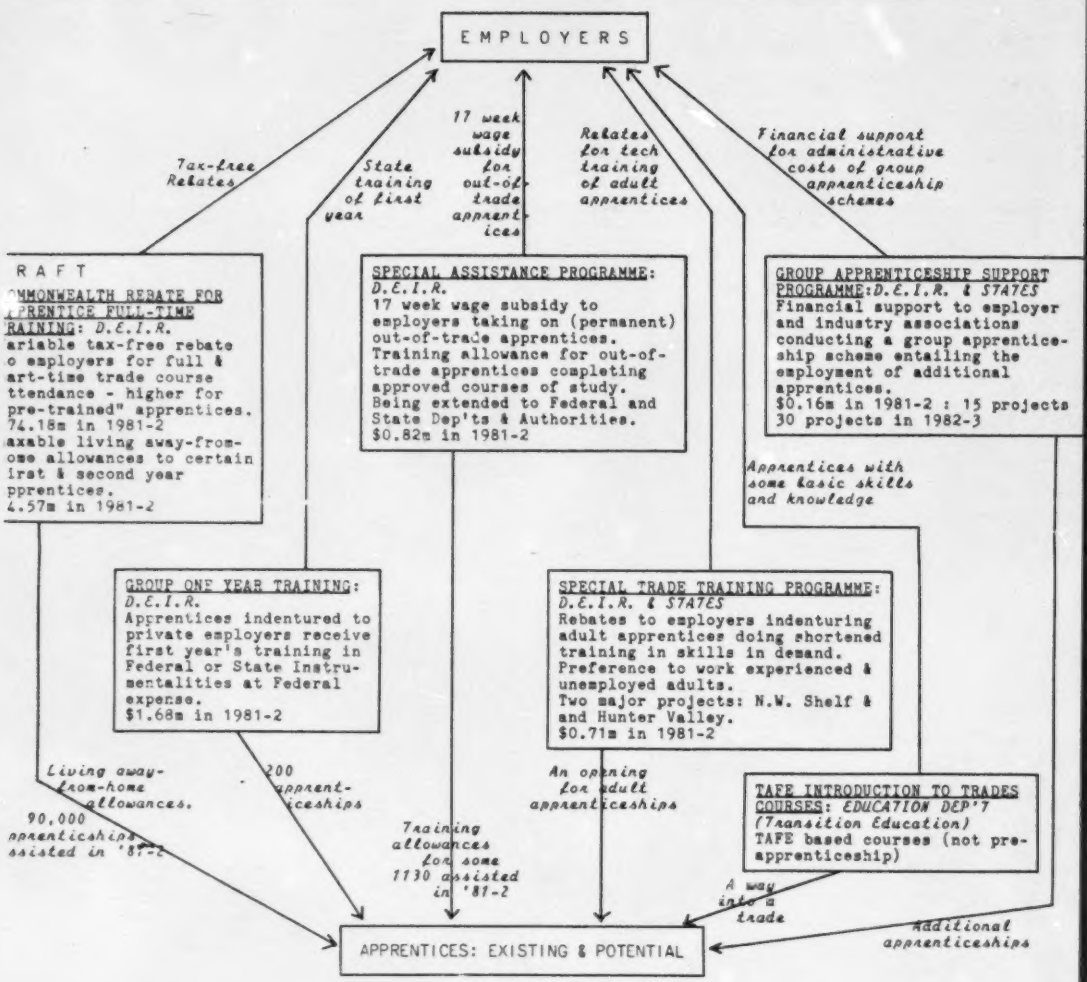


FIGURE XIII

FEDERAL GOVERNMENT RESPONSE
TO UNEMPLOYMENT:
APPRENTICESHIP TRAINING PROGRAMS

PROPORTION OF TOTAL DEIR AND EDUCATION DEPARTMENT EXPENDITURE GOING TO APPRENTICESHIP TRAINING.
DEIR TRADE TRAINING PROGRAMME:
1981-2: 34.2%
1982-3: 30.48%


EMPLOYERS
Tax-free Rebates
State training of first year
17 week wage subsidy for out-of-trade apprentices
Rebates for tech training of adult apprentices
Financial support for administrative costs of group apprenticeship schemes
RAFT
MMONWEALTH REBATE FOR PRENTICE FULL-TIME RAINING: D.E.I.R.
ariable tax-free rebate o employers for full & art-time trade course ttendance - higher for pre-trained" apprentices.
74.18m in 1981-2
axable living away-from-ome allowances to certain irst & second year pprentices.
4.57m in 1981-2
SPECIAL ASSISTANCE PROGRAMME: D.E.I.R.
17 week wage subsidy to employers taking on (permanent) out-of-trade apprentices.
Training allowance for out-of-trade apprentices completing approved courses of study.
Being extended to Federal and State Dep'ts & Authorities.
$0.82m in 1981-2
GROUP APPRENTICESHIP SUPPORT PROGRAMME: D.E.I.R. & STATES
Financial support to employer and industry associations conducting a group apprenticeship scheme entailing the employment of additional apprentices.
$0.16m in 1981-2 : 15 projects
30 projects in 1982-3
Apprentices with some basic skills and knowledge
GROUP ONE YEAR TRAINING: D.E.I.R.
Apprentices indentured to private employers receive first year's training in Federal or State Instrumentalities at Federal expense.
$1.68m in 1981-2
SPECIAL TRADE TRAINING PROGRAMME: D.E.I.R. & STATES
Rebates to employers indenturing adult apprentices doing shortened training in skills in demand.
Preference to work experienced & unemployed adults.
Two major projects: N.W. Shelf & and Hunter Valley.
$0.71m in 1981-2
Living away-from-home allowances.
90,000 apprenticeships assisted in '81-2
200 apprenticeships
Training allowances for some 1130 assisted in '81-2
An opening for adult apprenticeships
TAFE INTRODUCTION TO TRADES COURSES: EDUCATION DEP'T (Transition Education)
TAFE based courses (not pre-apprenticeship)
A way into a trade
Additional apprenticeships
APPRENTICES: EXISTING & POTENTIAL

OTE: D.E.I.R. - Department of Employment and Industrial Relations

FIGURE XIV
FEDERAL GOVERNMENT RESPONSE TO UNEMPLOYMENT: SKILLS TRAINING AND YOUTH TRAINING PROGRAMS

PROPORTION OF TOTAL DEIR AND EDUC DEPT EXPENDITURE GOING TO SKILLS TRAINING PROGRAMME: 1981-2: 6.8%. 1982-3: 7.1%. TO YOUTH TRAINING PROGRAMME: 1981-2: 26.4%. 1982-3: 29.4%

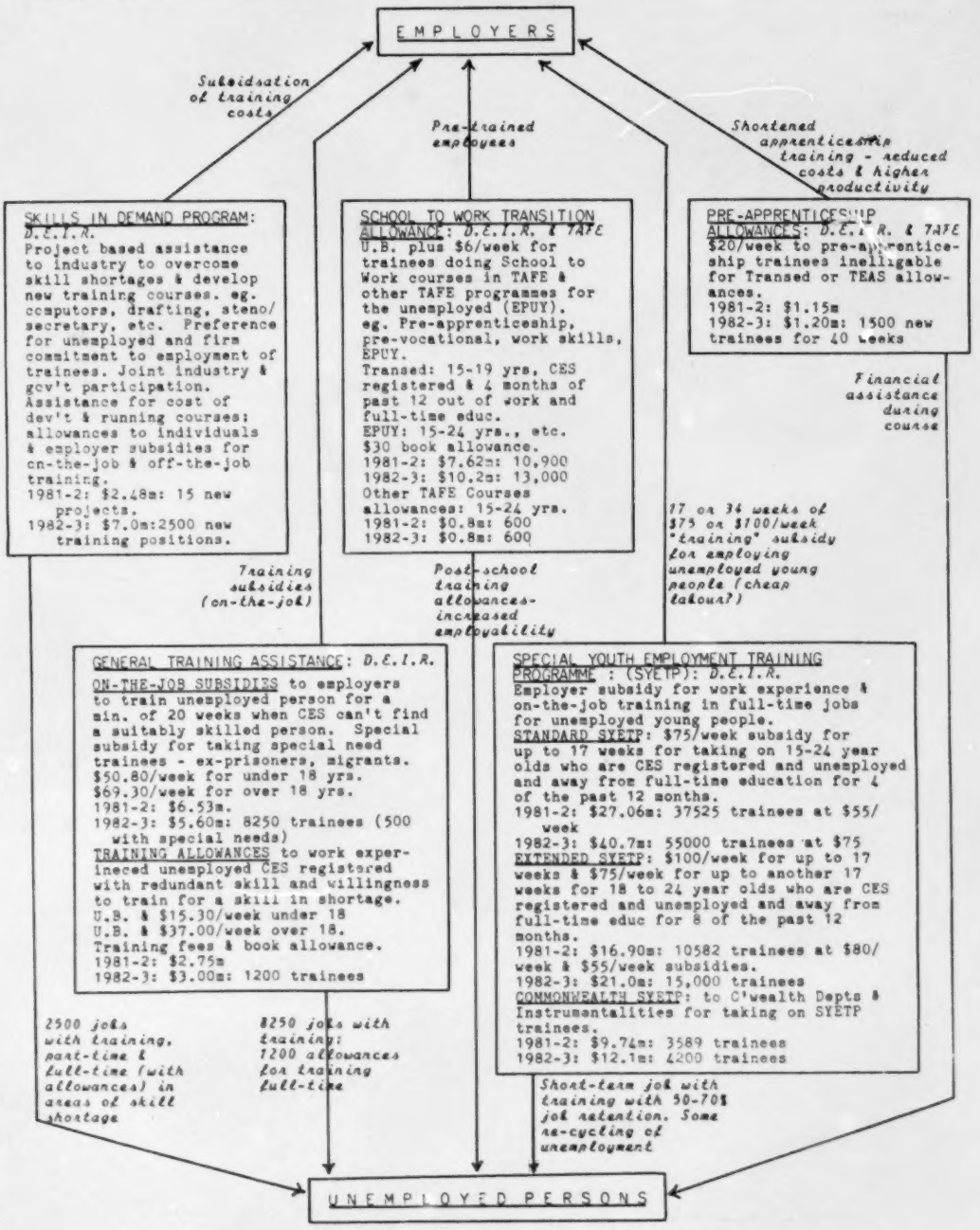

EMPLOYERS
Subsidsation of training costs
Pre-trained employees
Shortened apprenticeship training - reduced costs & higher productivity
SKILLS IN DEMAND PROGRAM: D.E.I.R.
Project based assistance to industry to overcome skill shortages & develop new training courses. eg. computors, drafting, steno/secretary, etc. Preference for unemployed and firm commitment to employment of trainees. Joint industry & gov't participation. Assistance for cost of dev't & running courses; allowances to individuals & employer subsidies for on-the-job & off-the-job training.
1981-2: $2.48m: 15 new projects.
1982-3: $7.0m:2500 new training positions.
SCHOOL TO WORK TRANSITION ALLOWANCE: D.E.I.R. & TAFE
U.B. plus $6/week for trainees doing School to Work courses in TAFE & other TAFE programmes for the unemployed (EPUY). eg. Pre-apprenticeship, pre-vocational, work skills, EPUY.
Transed: 15-19 yrs, CES registered & 4 months of past 12 out of work and full-time educ.
EPUY: 15-24 yrs., etc.
$30 book allowance.
1981-2: $7.62m: 10,900
1982-3: $10.2m: 13,000
Other TAFE Courses allowances: 15-24 yrs.
1981-2: $0.8m: 600
1982-3: $0.8m: 600
PRE-APPRENTICESHIP ALLOWANCES: D.E.I.R. & TAFE
$20/week to pre-apprenticeship trainees ineligable for Transed or TEAS allowances.
1981-2: $1.15m
1982-3: $1.20m: 1500 new trainees for 40 weeks
Financial assistance during course
17 or 34 weeks of $75 or $100/week "training" subsidy for employing unemployed young people (cheap labour?)
Training subsidies (on-the-job)
Post-school training allowances-increased employability
GENERAL TRAINING ASSISTANCE: D.E.I.R.
ON-THE-JOB SUBSIDIES to employers to train unemployed person for a min. of 20 weeks when CES can't find a suitably skilled person. Special subsidy for taking special need trainees - ex-prisoners, migrants.
$50.80/week for under 18 yrs.
$69.30/week for over 18 yrs.
1981-2: $6.53m.
1982-3: $5.60m: 8250 trainees (500 with special needs)
TRAINING ALLOWANCES to work experineced unemployed CES registered with redundant skill and willingness to train for a skill in shortage.
U.B. & $15.30/week under 18
U.B. & $37.00/week over 18.
Training fees & book allowance.
1981-2: $2.75m
1982-3: $3.00m: 1200 trainees
SPECIAL YOUTH EMPLOYMENT TRAINING PROGRAMME : (SYETP): D.E.I.R.
Employer subsidy for work experience & on-the-job training in full-time jobs for unemployed young people.
STANDARD SYETP: $75/week subsidy for up to 17 weeks for taking on 15-24 year olds who are CES registered and unemployed and away from full-time education for 4 of the past 12 months.
1981-2: $27.06m: 37525 trainees at $55/week
1982-3: $40.7m: 55000 trainees at $75
EXTENDED SYETP: $100/week for up to 17 weeks & $75/week for up to another 17 weeks for 18 to 24 year olds who are CES registered and unemployed and away from full-time educ for 8 of the past 12 months.
1981-2: $16.90m: 10582 trainees at $80/week & $55/week subsidies.
1982-3: $21.0m: 15,000 trainees
COMMONWEALTH SYETP: to C'wealth Depts & Instrumentalities for taking on SYETP trainees.
1981-2: $9.74m: 3589 trainees
1982-3: $12.1m: 4200 trainees
2500 jobs with training, part-time & full-time (with allowances) in areas of skill shortage
8250 jobs with training; 1200 allowances for training full-time
Short-term job with training with 50-70% job retention. Some re-cycling of unemployment
UNEMPLOYED PERSONS

FIGURE XV
FEDERAL GOVERNMENT RESPONSE TO UNEMPLOYMENT: SPECIAL TRAINING PROGRAMS

PROPORTION OF TOTAL DEIR AND EDUC DEPT EXPENDITURE GOING TO SPECIAL TRAINING PROGRAMME:
1981-2: 10.64%
1982-3: 9.92%

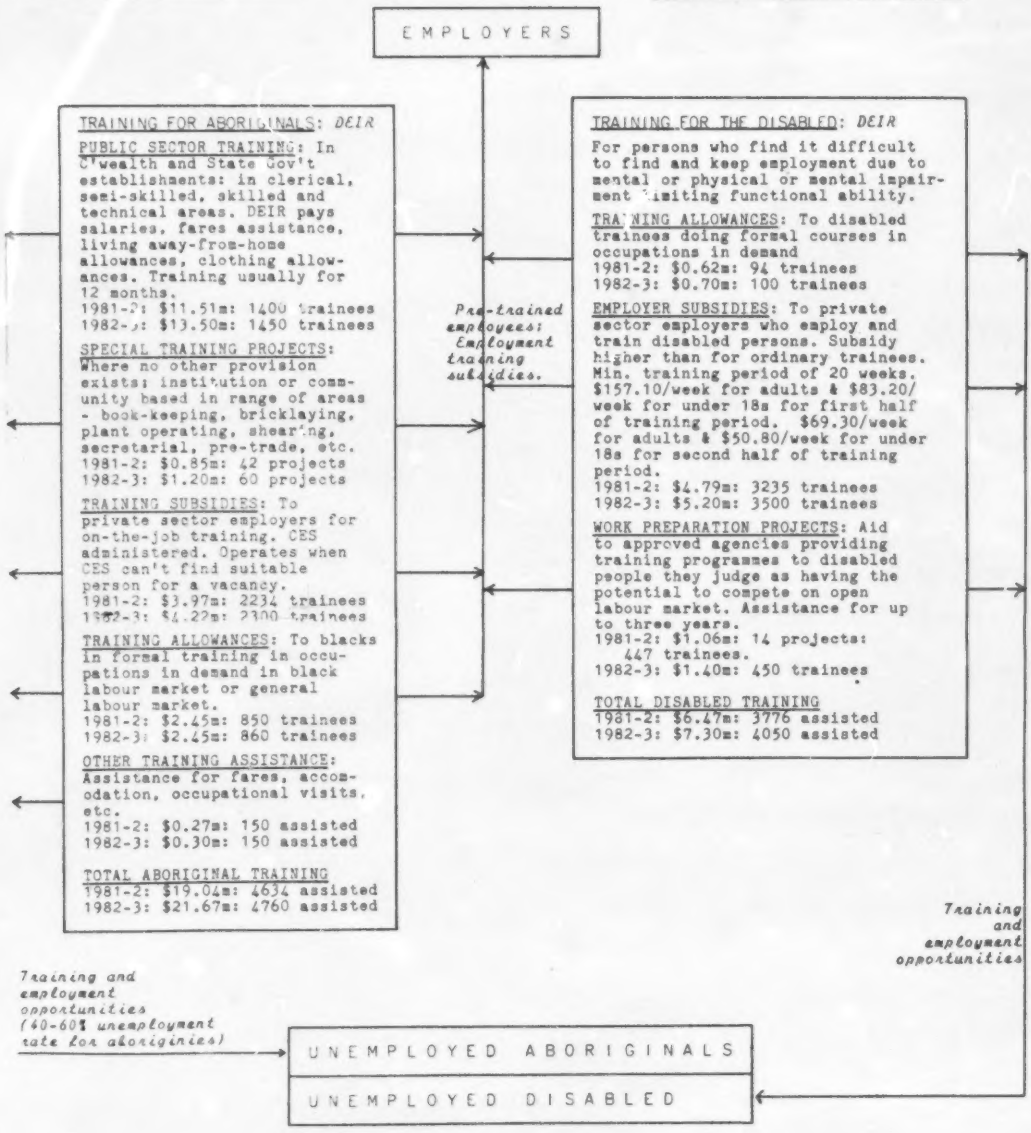

EMPLOYERS
TRAINING FOR ABORIGINALS: DEIR
PUBLIC SECTOR TRAINING: In C'wealth and State Gov't establishments: in clerical, semi-skilled, skilled and technical areas. DEIR pays salaries, fares assistance, living away-from-home allowances, clothing allowances. Training usually for 12 months.
1981-2: $11.51m: 1400 trainees
1982-3: $13.50m: 1450 trainees
SPECIAL TRAINING PROJECTS: Where no other provision exists: institution or community based in range of areas - book-keeping, bricklaying, plant operating, shearing, secretarial, pre-trade, etc.
1981-2: $0.85m: 42 projects
1982-3: $1.20m: 60 projects
TRAINING SUBSIDIES: To private sector employers for on-the-job training. CES administered. Operates when CES can't find suitable person for a vacancy.
1981-2: $3.97m: 2234 trainees
1982-3: $4.22m: 2300 trainees
TRAINING ALLOWANCES: To blacks in formal training in occupations in demand in black labour market or general labour market.
1981-2: $2.45m: 850 trainees
1982-3: $2.45m: 860 trainees
OTHER TRAINING ASSISTANCE: Assistance for fares, accomodation, occupational visits, etc.
1981-2: $0.27m: 150 assisted
1982-3: $0.30m: 150 assisted
TOTAL ABORIGINAL TRAINING
1981-2: $19.04m: 4634 assisted
1982-3: $21.67m: 4760 assisted
Pre-trained employees: Employment training subsidies.
TRAINING FOR THE DISABLED: DEIR
For persons who find it difficult to find and keep employment due to mental or physical or mental impairment limiting functional ability.
TRAINING ALLOWANCES: To disabled trainees doing formal courses in occupations in demand
1981-2: $0.62m: 94 trainees
1982-3: $0.70m: 100 trainees
EMPLOYER SUBSIDIES: To private sector employers who employ and train disabled persons. Subsidy higher than for ordinary trainees. Min. training period of 20 weeks. $157.10/week for adults & $83.20/week for under 18s for first half of training period. $69.30/week for adults & $50.80/week for under 18s for second half of training period.
1981-2: $4.79m: 3235 trainees
1982-3: $5.20m: 3500 trainees
WORK PREPARATION PROJECTS: Aid to approved agencies providing training programmes to disabled people they judge as having the potential to compete on open labour market. Assistance for up to three years.
1981-2: $1.06m: 14 projects: 447 trainees.
1982-3: $1.40m: 450 trainees
TOTAL DISABLED TRAINING
1981-2: $6.47m: 3776 assisted
1982-3: $7.30m: 4050 assisted
Training and employment opportunities
Training and employment opportunities (40-60% unemployment rate for aboriginies)
UNEMPLOYED ABORIGINALS
UNEMPLOYED DISABLED

FIGURE XVI

FEDERAL GOVERNMENT RESPONSE TO UNEMPLOYMENT:

EMPLOYMENT SERVICES AND YOUTH AFFAIRS ASSISTANCE

PROPORTION OF TOTAL DEIR AND EDUC DEPT EXPENDITURE GOING TO EMPLOYMENT SERVICES:
1981-2: 1.36%. 1982-3: 1.78%
TO YOUTH AFFAIRS ASSISTANCE:
1981-2: 6.23%. 1982-3: 6.36%

EMPLOYERS

Information re subsidies available

Employment oriented unemployed youth from which to choose

EMPLOYMENT SERVICES: *DEIR*

RELOCATION ASSISTANCE SCHEME
CES approved relocation assistance to take up job in another region if (a) the vacancy can't be filled in the other region and (b) if the applicant can't find job in her/his own region.
1981-2: $1.60m: 1376 relocations
1982-3: $2.00m: 1875 relocations

FARES ASSISTANCE SCHEME
Refundable and non-refundable payment of public transport costs to attend job interview.
1981-2: $0.26m: 60,000 assisted
1982-3: $0.35m

FORMER REGULAR SERVICE MEMBERS' VOCATIONAL TRAINING SCHEME
Discontinued in 1981 but existing trainees still assisted.
1981-2: $0.2m; 1982-3: $0.15m

OCCUPATIONAL INFORMATION
Production and dissemination of occupational information through CES and educational institutions.
1981-2: $1.21m; 1982-3: $1.3m

NATIONAL PROMOTIONAL CAMPAIGN
Promotion of apprenticeship and work experience programmes to inform employers of what is available to them.
1981-2: nil; 1982-3: $1.0m

EMPLOYMENT STRATEGIES
Aim to encourage employment of Aboriginals and disabled.
1981-2: $0.29m; 1982-3: $0.4m

TOTAL EMPLOYMENT SERVICES
1981-2: $3.68m
1982-3: $5.20m

COMMUNITY-BASED YOUTH PROGRAMMES

COMMUNITY YOUTH SUPPORT SCHEME (CYSS): *DEIR*
The only significant community based programme; the only programme designed to offer support to young unemployed people. Started in 1976. Government tried to abolish it in 1981 Budget but campaign to save CYSS successful. Four sets of Guidelines since 1976 - the latest, in Jan. 1982 are the most skill training oriented. Aim to provide programmes to increase employability and provide survival skills for the unemployed between 15 and 24 years. Three levels of grants: $34,000, $54,000 & $74,000 per annum.
1981-2: $14.2m: 276 projects
1982-3: $16.36m: 276 projects

VOLUNTEER YOUTH PROGRAMME
Grants to community organisations to administer voluntary community service projects for unemployed youth. Participants retain U.B. and up to $6/week transport costs. Hope to increase employability.
1981-2: $0.15m: 5 projects
1982-3: $0.16m: same 5 projects

COMMUNITY YOUTH SPECIAL PROJECTS
Grants to community organisations providing employment and training related activities for unemployed youth. For the long-term disadvantaged unemployed.
1981-2: $0.59m: 9 projects
1982-3: $2.00m: more projects

Assistance re coping with unemployment & some skill training and pre-training.

Opportunity to provide free labour.

Information re jobs & some job & training opportunities.

Financial assistance in job search.

UNEMPLOYED PERSONS
UNEMPLOYED YOUTH